



The Scottish Parliament
Pàrlamaid na h-Alba

Official Report

MEETING OF THE PARLIAMENT

Wednesday 18 June 2014

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Scottish Parliament

Wednesday 18 June 2014

[The Presiding Officer *opened the meeting at 14:00*]

Portfolio Question Time

Culture and External Affairs

The Presiding Officer (Tricia Marwick): Before we begin portfolio questions, I say to our security guards that if it gets too warm in the chamber, they should feel free to remove their jackets.

Ireland (Cultural Links)

1. Roderick Campbell (North East Fife) (SNP): To ask the Scottish Government what steps it is taking to build on cultural links with Ireland. (S4O-03357)

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): I visited Ireland in May to further strengthen our common cultural and heritage links with Ireland.

At the Newgrange neolithic tomb, I announced the discovery of a skeleton in East Lothian that Dr Alex Woolf of the University of St Andrews has advised may be Olaf Guthfrithsson, a 10th century king of Dublin and Northumbria. Historic Scotland is collaborating with colleagues in Ireland—for example, on a seminar at Edinburgh castle this autumn and on the prestigious European Association of Archaeologists conference in Glasgow in September 2015.

I visited Dublin's Abbey theatre and later met the chairman, Bryan McMahon. I also met Jimmy Deenihan, Minister for Arts, Heritage and the Gaeltacht, who hosted our joint event at the Listowel writers' week celebrating the writers Maurice Walsh and Neil Gunn. I look forward to welcoming Mr Deenihan for a reciprocal event at the Edinburgh international book festival on 13 August.

Roderick Campbell: I welcome the cabinet secretary's comments on the role that the University of St Andrews played in the archaeological find. Can the cabinet secretary advise what lessons can be learned from Ireland's approach to culture—particularly, perhaps, in relation to broadcasting?

Fiona Hyslop: It is interesting to look at Ireland's experience of broadcasting. Its national broadcaster, RTÉ, supports broader culture, providing, for example, two orchestras, two choirs and a string quartet. That, of course, is on top of

delivering four television channels, four national radio stations that are broadcast over the spectrum and a further five digital radio stations, together with digital services such as the RTÉ website and the RTÉ player. Its budget is about £286 million, which is, of course, smaller than Scotland's current licence fee resources of some £320 million.

The Presiding Officer: Question 2, in the name of Mary Fee, has not been lodged. The member has provided an explanation.

Independent Scotland (Common Travel Area)

3. Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): To ask the Scottish Government what the implications would be for the common travel area of an independent Scotland. (S4O-03359)

The Minister for External Affairs and International Development (Humza Yousaf): Scotland would remain a part of the common travel area, but as an independent country in its own right. As noted in "Scotland's Future—Your Guide to an Independent Scotland", it will be in the overriding interests of the rest of the United Kingdom and Ireland for Scotland to remain in the common travel area.

Malcolm Chisholm: Although I support the fresh talent initiative, as introduced by Jack McConnell, and any other similar immigration variations, is it not the case that membership of the common travel area and the absence of border checks is incompatible with a significantly different immigration policy? If the minister doubts that, will he consult the Republic of Ireland Government about the operation of the common travel area?

Humza Yousaf: What I will do on that exact point is read a quote from the Irish Department of Justice and Equality spokesman in January this year:

"The common travel area ... in no way alters our control over immigration or visa matters and who can and cannot enter or reside in Ireland".

My suggestion is that, as much as we will of course have discussions in due course with the Irish Government, Malcolm Chisholm does the same.

Dundee (City of Culture 2017 Bid)

4. Jenny Marra (North East Scotland) (Lab): To ask the Scottish Government what discussions it has had with Dundee City Council regarding taking forward some of the plans in the Dundee city of culture 2017 bid. (S4O-03360)

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): I met Dundee City Council on 9 January to discuss its plans for

its city of culture bid, and I was delighted to hear about its plans to develop a new 10-year cultural strategy. Since then, the council has had a series of meetings with a range of officials and partners to progress its plans. Dundee is on a pioneering journey that embraces culture and creativity to promote regeneration and tackle wider social issues in a range of innovative ways.

Jenny Marra: When the Inverness city of culture bid failed in 2007, the Scottish Government stepped in and committed a substantial amount of money to ensure that some of the events would go ahead. Dundee City Council has said that some events will go ahead. Can the cabinet secretary tell me which events will go ahead as a result of her meeting on 9 January and how much money she will commit to make that happen?

Fiona Hyslop: Clearly, what will go ahead in Dundee is for the council in Dundee—with its partners—to determine, but I can say that I have been absolutely committed to Dundee in terms of its cultural progression and the activities that can take place. I have already spoken to our national collections and companies, Creative Scotland and EventScotland about a series of events to which funding will come from those organisations. There are many very good programmes and industries that can still be carried forward.

The Scottish Government has invested £125,000 in the aspire Dundee programme, which uses dance, drama and music to support the young people of Dundee and was part of the city of culture bid, and there is extensive support for the Victoria and Albert museum. There is also funding for different organisations: £518,000 for Dundee Contemporary Arts, £1 million for Dundee Repertory Theatre and £800,000 for Scottish Dance Theatre.

Very strong programmes exist currently and, on top of that, there are commitments to Dundee from Creative Scotland, EventScotland and all the different national companies and collections. Compared to any other city, Dundee has a vibrant initiative and vision, led by the Scottish National Party-led Dundee City Council and supported by all our partners. That is what national Government does—it brings everyone together—and that is what we are delivering for the people of Dundee.

Traditional Music (Promotion of Scottish Culture)

5. Rob Gibson (Caithness, Sutherland and Ross) (SNP): To ask the Scottish Government what importance it places on using traditional music to promote Scottish culture around the world. (S4O-03361)

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): The Scottish

Government places great importance on the promotion of Scottish culture around the world and traditional music plays a key part in our work. The Scottish Government supports the traditional music sector through Creative Scotland, which disburses more than £2 million each year to organisations, individuals and festivals that directly form part of the sector. By supporting events such as Celtic Connections, Creative Scotland enables artists and musicians to promote their work internationally. In addition, Creative Scotland supports showcase Scotland. As a result of performing at showcase Scotland, Scottish artists are, for example, appearing at the Jodhpur Rajasthan international folk festival in India this October.

Rob Gibson: The Scottish Government itself has been giving an international showcase for Scottish musicians at major world events, such as the appearance of traditional musician Julie Fowlis and classical musician Nicola Benedetti at the official handover of the Ryder cup in Chicago in 2012. Will the cabinet secretary explain how agencies such as VisitScotland, Scottish Development International and the British Council will work in partnership to promote Scotland abroad as

“a distinctive creative nation connected to the world”,

as Creative Scotland’s 2014 plan intends?

Fiona Hyslop: This year, Creative Scotland will publish its international strategy and it will work with the British Council Scotland, VisitScotland and SDI on developing that. A very notable and important partnership is the Scotland and Venice visual arts showcase at the Venice biennale, which is a partnership between Creative Scotland, the British Council Scotland, the Scottish Government and the National Galleries of Scotland.

In promoting Scotland internationally, we are looking beyond the year of homecoming to themed years such as the year of innovation, architecture and design. VisitScotland will work on the promotion of that.

I note Rob Gibson’s keen interest in promoting traditional music in particular, which is very much part and parcel of the promotions that we deliver. I am very excited about the connections that are being made.

Independent Scotland (Cost of International Development Agency)

6. Margaret McCulloch (Central Scotland) (Lab): To ask the Scottish Government what the set-up costs of an international development agency would be in the event of independence. (S4O-03362)

The Minister for External Affairs and International Development (Humza Yousaf):

The Scottish Government has undertaken a range of work to prepare for the transition to independence, and our approach is set out in "Scotland's Future". Pages 343 to 350 explain that a number of factors will influence the size of the one-off investment that Scotland will make in the transition to independence, which include the negotiations that will take place between the two Governments. As this Government has reiterated over the past year and a half, if not longer, we are prepared for those discussions right now, if only the United Kingdom Government would come to the table.

Margaret McCulloch: How does the minister respond to concerns that the set-up, running and transaction costs of a new international development agency could detract from aid spending and lead to aid fragmentation? Surely development jobs in Scotland and UK aid spending as a whole are better protected through pooling resources to administer the world's second biggest aid budget, not just from Whitehall but from the Department for International Development's offices in East Kilbride.

Humza Yousaf: The question has taken completely the wrong tone. I have said to other UK Government ministers who have tried to use the poorest people in the world as a political football that that is a very unwise move indeed. In "Scotland's Future", we have given a guarantee that if there are any projects that might be affected by the transition, we will take care of the cost.

This Scottish Government—not the UK Government—has said that it will enshrine in law the 0.7 per cent commitment to the world's poorest. If the member has any influence over her colleagues, who were in government for 13 years and did not fulfil that pledge once, she should use it if she can.

Annabel Goldie (West Scotland) (Con): I note with great pride that my colleagues in government have done just that.

The international development agency of an independent Scotland cannot replicate everything that the UK does in external affairs. What would the international development agency of an independent Scotland not do?

Humza Yousaf: That is incorrect. It is not about what countries and how many countries we are working in; it is about the impact that we have. Yes, we have said that we work in seven countries and we are not looking to work in too many more, but the impact of what we do with a small budget of £9 million and £3 million for climate justice is world renowned. Ban Ki-moon, the secretary-general of the United Nations, Desmond Tutu, and

former Irish President Mary Robinson have commended the work that the Scottish Government does with the limited resources that we have. I appeal to Annabel Goldie to have more ambition for her country in all Government departments but particularly for the work that we have done already to help the world's poorest.

Independent Scotland (Lottery Funding for Creative Organisations)

7. Paul Martin (Glasgow Provan) (Lab): To ask the Scottish Government what its assessment is of the impact of independence on funding available to creative organisations through the Big Lottery Fund. (S4O-03363)

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): Following independence, Scotland will continue to receive a fair share of national lottery ticket sales to support good causes, including the work of creative organisations. In an independent Scotland, all decisions about the distribution of good cause money will be made in Scotland to ensure that the needs of local communities are met.

The Big Lottery Fund in Scotland supports communities and the third sector, and its role in relation to creative or cultural organisations is limited to projects that deliver community benefits. General arts lottery funding, amounting to £34.9 million in 2014-15, is already devolved to Scotland and delivered by Creative Scotland.

Paul Martin: As the minister will be aware, funding is allocated via the Barnett formula. What discussions have taken place in respect of that funding arrangement, and what other discussions has the minister had with the national lottery organisation?

Fiona Hyslop: The licence to run the national lottery is held by Camelot Group plc and is in place until 2023. The Scottish Government does not intend to change that arrangement. For other aspects that are more centralised there would be the opportunity for Scotland to do something similar to what we do with Creative Scotland's arts and culture funds by making all the decisions about the distribution of lottery funds in Scotland. I have held meetings with Camelot.

Consular Representatives (Engagement on Case for Independence)

8. Drew Smith (Glasgow) (Lab): To ask the Scottish Government what engagement it has sought with consular representatives to explain its case for Scotland leaving the United Kingdom. (S4O-03364)

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): Ministers regularly meet members of the consular corps and

discuss a range of subjects. Following the launch of "Scotland's Future", the Minister for External Affairs and International Development held a briefing for consular representatives in Edinburgh on 27 November 2013. I held similar events with diplomatic representatives in Brussels and London on 26 and 27 November.

Drew Smith: We know that most Scots are unconvinced about independence and the decision will, after all, be theirs. However, in a week in which the Swedish Government has expressed concerns, as have the former United States Secretary of State, President Obama and now the Chinese Premier, I thank the cabinet secretary for her answer and urge her and the Scottish Government to redouble their efforts because they are clearly having the opposite effect to that which they intend.

Fiona Hyslop: The Swedish Prime Minister said:

"We also have a lot of experiences in referendums throughout Europe and we have learned to respect the results and not to speculate in advance."

Premier Li said:

"We certainly respect the choice you make."

President Barack Obama said:

"ultimately these are decisions that are to be made by the folks there."

The people who are best placed to make decisions about Scotland are those who care most about Scotland and those are the people who live here. David Cameron seems to be more than happy to engage with every country that he can on the issue of Scotland's independence, but not in debate with the democratically elected First Minister of Scotland. The people of Scotland find that that says more about the Westminster Government's approach to Scotland internationally than anything else.

Scottish Sport Relief Home and Away Programme

9. Alison Johnstone (Lothian) (Green): To ask the Scottish Government whether it will provide an update on the away aspect of its legacy 2014 Scottish sport relief home and away programme. (S4O-03365)

The Minister for External Affairs and International Development (Humza Yousaf): The Scottish Government is funding four projects in sub-Saharan Africa through the first phase of the sport relief away programme, which is worth a total of £2.5 million, including a Scottish Government contribution of £1.25 million. The projects are based in Malawi, South Africa and Uganda and are working to improve housing conditions, to support people whose lives are

affected by conflict and to assist in providing education for deaf children.

We are developing a second phase of the away programme, together with sport relief, and will make a further announcement on that in due course.

Alison Johnstone: I welcome the projects and the Scottish Government's support for them. The United Nations recognises that sport is a universal language that can be a powerful tool to promote peace, tolerance and understanding. How can the games help to strengthen Scotland's global links and solidarity between people in Scotland and elsewhere, and will there be opportunities for children in Scotland to learn about the away projects and to understand why we are supporting them?

Humza Yousaf: The member makes an excellent point. Through the first phase of the projects, I have seen the impact that they are making. The international development work and the engagement through sport with some of the poorest people in the world is not being done only by the Government. For example, it is great to have the Scottish Football Association involved in that, as well as other sporting agencies.

The member makes the good point that there is a lot more that we can do to reach out to children here so that they understand the efforts that they can make in order to connect with children in the poorest parts of the world. I will reflect on that and see how we can do more in that regard.

Artworks and National Treasures

10. Richard Lyle (Central Scotland) (SNP): To ask the Scottish Government what the value is of art treasures, paintings, artefacts and national treasures that it or the National Galleries of Scotland holds. (S4O-03366)

The Cabinet Secretary for Culture and External Affairs (Fiona Hyslop): The Scottish Government does not hold a current valuation for the works of art that it holds. The holdings comprise both loans and purchased works, although there have been no purchases by the Scottish Government for at least 10 years.

The National Galleries of Scotland does not have current market valuations for all the items in the collection, which is made up of almost 100,000 works. Individual items in the national collections are valued only when there is a requirement to do so, for example for loans out, which require commercial insurance.

Richard Lyle: Can the cabinet secretary tell me what the current value is of artefacts, paintings and national treasures that are currently out on

loan from the Scottish Government or the National Galleries of Scotland?

Fiona Hyslop: At present, there are no artworks out on loan from the Scottish Government. The value of works that are on loan from the National Galleries of Scotland is currently just over £1 million.

Infrastructure, Investment and Cities

Housing (Rising Rents)

1. Neil Bibby (West Scotland) (Lab): To ask the Scottish Government what action it is taking to address the rising cost of rent for housing. (S4O-03367)

The Minister for Housing and Welfare (Margaret Burgess): The Scottish Government is investing in social housing at rates that help to keep rent levels low. Scottish social housing has always been based on a principle of affordability to tenants in low-paid employment without recourse to benefits, a principle that we believe should be upheld. That is why, in July 2013, the Scottish Government increased the subsidy levels for all social housing by £16,000 per home, which enables councils and housing associations to keep social rents affordable.

Also, in outcome 14 of the Scottish social housing charter, the Government requires social landlords to take account of what their tenants can afford when they set rents.

Rent levels in the private sector are set at the market rate and will reflect local market conditions.

Neil Bibby: Under the Scottish National Party Government, housing associations have been starved of vital resources and, as a result, housing association tenants in Scotland have seen their annual rent rise by an average of £830 since the SNP came to power. When families are struggling with the cost of living, does the minister think that that is acceptable?

Does the minister accept that increasing rents are an issue in the private rented sector, too, and will she support Labour's proposal next week to cap rent rises?

Margaret Burgess: As I said in my initial response, the Scottish Government has increased the subsidy to social landlords to enable landlords to keep rents at an affordable level for their tenants.

On the Labour amendment to the Housing (Scotland) Bill, Neil Bibby will be aware that Labour was asking for a substantial legislative change, which was introduced at a late stage in consideration of the bill and only after Ed Miliband had introduced the idea in England. It was not

introduced at any other stage of the bill or mentioned in any meetings that we had. However, we are taking forward reform of the private sector tenancy regime and will consider rent levels as part of that consultation.

James Kelly (Rutherglen) (Lab): I was interested to note that the expert group on welfare welcomes the idea of considering rent caps to help those in the private rented sector. It states:

"rents should increase in line with inflation but not above it, at least for the duration of a tenancy."

Does the minister disagree with the views of her expert group on welfare?

Margaret Burgess: I repeat what I said earlier: we have been considering reform of the tenancy regime in the private rented sector. We have set up a stakeholder group covering all stakeholders. That group has now made recommendations to the Government and we will consult on a detailed policy proposal for a new tenancy regime in the autumn. I repeat that it will explore issues relating to rent levels.

The appropriate way to tackle the matter is by consulting and discussing with stakeholders, receiving the evidence and proposals and then going out to consultation, not throwing something in as a last-minute proposal, as James Kelly is trying to do.

Borders Railway

2. Jim Hume (South Scotland) (LD): To ask the Scottish Government whether it will provide an update on progress with the construction of the Borders railway. (S4O-03368)

The Minister for Transport and Veterans (Keith Brown): The construction of the Borders railway remains on schedule for completion in June 2015, with passenger services available by September 2015 following a period of driver training. We continue to examine with Network Rail possibilities for completion ahead of those timescales.

Jim Hume: I welcome the project's continuing progress. The minister may be aware that it now takes an hour longer to travel from Hawick to Edinburgh via public transport than it did in 1969. The Borders railway will deliver an undoubted economic boost along its route.

The First Minister said in April that the Borders railway will act as a catalyst for the rest of the historical Waverley route. Will the minister commit to commissioning a feasibility study into the extension of the railway to Hawick, at the very least, to support a town that, of course, was most affected by Beeching's cuts?

Keith Brown: The member is right to highlight the benefits that will flow from the project, not least because people who have been disconnected from the railway network for nearly 40 years will be able to use the services, which will be frequent and moderately priced.

On further extensions, we have found it productive to concentrate on the project in hand to ensure that we get it done as quickly as possible and in the right and best possible way. The question that the member raised about further extensions was raised last night at the cross-party group on rail and I undertook to look into it and get back to the person concerned. I am happy to copy the member into that correspondence.

The Presiding Officer: I call Mark Griffin, if it is about the Borders railway.

Mark Griffin (Central Scotland) (Lab): It certainly is, Presiding Officer.

As far as I understand, the First Minister has already committed to a feasibility study on extending the line in the future. Would that lead to the line being double tracked along its whole length? Would there be significant engineering works to add to the current package if any extension was proposed?

The Presiding Officer: Minister, it was about the Borders railway.

Keith Brown: Indeed it was, Presiding Officer.

Part of the current project will be double tracked but, to go ahead with the project, it was essential to get the necessary cost benefit ratio so that the project washed its face. Had we committed to double tracking the entire line, the cost benefit ratio would have been completely skewed. Further decisions on future double tracking will be taken some time after the project has bedded in.

The same applies to possible extensions. The First Minister has mentioned that extension is a possibility, but we are concentrating on making sure that we get the current project done as quickly as possible.

Stranraer Waterfront Development

3. Alex Fergusson (Galloway and West Dumfries) (Con): To ask the Scottish Government what progress is being made with the redevelopment of the Stranraer harbour waterfront. (S4O-03369)

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): We are committed to supporting sustainable economic growth in Dumfries and Galloway by working closely with Scottish Enterprise and Dumfries and Galloway

Council as partners in the south of Scotland alliance.

We welcome the good progress that Dumfries and Galloway Council is making in taking forward the work of the Stranraer task force, with identified investment in marine and community projects. The Stranraer waterfront and east pier design brief has been developed to guide the regeneration of the former terminal site.

Together with Scottish Borders Council and Scottish Enterprise, Dumfries and Galloway Council is developing a rural economic development programme for the area. The redevelopment of the Stranraer waterfront is a key part of that ambitious vision for growth in the south of Scotland.

Alex Fergusson: As I am sure the cabinet secretary is aware, the site is now being tested on the open market, which we all hope will lead to a successful outcome. However, if no buyer is found, would the Scottish Government consider further direct involvement through the creation of an enterprise zone in Stranraer to encourage the investment that is so desperately needed not only for enhancement of the derelict waterfront itself but for the local economy?

Nicola Sturgeon: As Alex Fergusson will appreciate, I am not in a position—it would be inappropriate—to give specific commitments on proposals in that respect. In the spirit of my previous answer, which I hope came through, I will say that the Scottish Government is committed to working with partners in Dumfries and Galloway, particularly in relation to some of the projects in Stranraer that Alex Fergusson mentioned, to find the best way to regenerate the area.

We stand ready to discuss with partners what the best approaches might be in particular circumstances. As always, I am happy to meet the member to discuss the issues in more detail if that would be helpful.

Affordable Housing (Private Rented Sector)

4. Anne McTaggart (Glasgow) (Lab): To ask the Scottish Government how it encourages the availability of affordable housing in the private rented sector. (S4O-03370)

The Minister for Housing and Welfare (Margaret Burgess): Our housing strategy confirmed that we would support a substantial expansion of intermediate or mid-market rental properties to complement and ease the pressures on social rented housing. We are doing that through a range of initiatives, including the provision of grant subsidy to registered social landlord subsidiaries, the empty homes loan fund and the national housing trust.

Anne McTaggart: One in four people who rent privately live in poverty. The Joseph Rowntree Foundation found that private renters in Scotland spend 23 per cent of their income on housing, which is up from 18 per cent just a decade ago.

In order to improve the situation for the 300,000 households that find themselves in that position, Scottish Labour has proposed a cap on rent rises and the introduction of a standard three-year tenancy agreement. Why will the Scottish Government not support those measures?

Margaret Burgess: The Joseph Rowntree Foundation also reported that households in Scotland spend a smaller share of their income on housing costs than households in England do, and that poverty rates in Scotland are lower than they are for people in similar tenures in England.

I refer Anne McTaggart to my earlier answer. The Scottish Government is progressing reform of the private sector tenancy. We will consult on a detailed policy proposal for a new tenancy regime in the autumn, part of which will explore issues relating to rent levels. We will consult our stakeholders and take evidence, and we will allow Parliament to undertake detailed scrutiny of any proposals that we present.

Transport Scotland (Meetings)

5. Annabel Goldie (West Scotland) (Con): To ask the Scottish Government when it last met Transport Scotland and what issues were discussed. (S4O-03371)

The Minister for Transport and Veterans (Keith Brown): Transport Scotland is part of the Scottish Government, and meetings with ministers occur regularly in the normal course of business.

Annabel Goldie: In July 2012 the Minister for Transport and Veterans announced substantial cuts to the Edinburgh to Glasgow improvement programme. Can he confirm which improvements were removed from the programme and when phase 1 is due to be completed, and can he update the Parliament on the timescale for any future phases?

Keith Brown: Annabel Goldie may recall that we announced at the same time that around 80 per cent of the works that were originally proposed under the previous budget of £1 billion would be delivered for the new budgetary price.

Some parts of the programme are phased—for example, the Edinburgh gateway is part of that approach. We expect to have completed electrification by 2018, and further works will be completed by 2019. The project involves a substantial investment by the Government of approximately £850 million, which will lead to improved services between Edinburgh and

Glasgow; an increase in the number of passenger spaces available; and improvements with regard to the environmental cost that rail travel incurs. *[Keith Brown has corrected this contribution. See end of report.]*

Jayne Baxter (Mid Scotland and Fife) (Lab): In response to a question last week on the proposed Levenmouth rail link, the minister suggested that neither he nor Transport Scotland had had any contact from Fife Council regarding the proposal.

The leader of Fife Council wrote to the minister on 28 May, and the Scottish Government acknowledged the letter. Can the minister now correct the record and acknowledge that Fife Council has made representations on the matter?

Keith Brown: If that is the case, of course I will do so. The question that I was asked was whether we had received representations that the rail link was a priority for Fife Council, and we had no record of any such correspondence. If something has been missed, I will write to Jayne Baxter to confirm that.

Affordable Housing (Highlands and Islands)

6. Jamie McGrigor (Highlands and Islands) (Con): To ask the Scottish Government how it is supporting the building of more affordable homes in the rural communities of the Highlands and Islands. (S4O-03372)

The Minister for Housing and Welfare (Margaret Burgess): The Scottish Government has allocated more than £53 million to Highland Council and the three island authorities for the period 2012-13 to 2014-15 to build affordable homes.

The Scottish Government provides higher subsidy benchmarks for rural areas, the west Highland and island authorities and remote and rural Argyll than for city and urban developments.

We have supported the Highlands Small Communities Housing Trust's rent-to-buy model, which provides affordable housing for rural communities in Highland.

Jamie McGrigor: As well as new homes being constructed, many constituents want empty and dilapidated homes to be brought back into use for affordable rent. Is the minister confident that the empty homes loan fund is as effective a measure as the previous rural empty properties grant scheme? Are there any plans to expand the scope of the empty homes loan fund?

Margaret Burgess: The empty homes loan fund has already approved projects in the Highlands and Islands. It has offered £4.5 million—more than the £4 million that was originally set for the fund. Highland has been

allocated £400,000 and the Western Isles have been allocated £155,000. We are looking at the empty homes loan scheme and we are always in discussion with local authorities and stakeholders to see how we can encourage more and more owners to bring their properties back into use, because we all want that to happen. I am willing to engage in more discussion on the matter with Jamie McGrigor, as we go forward.

Mary Fee (West Scotland) (Lab): In 2008, the Scottish Government launched the rural homes for rent scheme at a cost of £5 million. How many homes were built using those funds? Was a review of the scheme carried out?

Margaret Burgess: I do not have the figures to hand, but we ran the rural homes for rent scheme as a pilot project that provided grant funding to rural landlords for affordable housing at the mid-market rent level. The funding could be used to renovate empty properties or build new homes.

The scheme was popular in some parts of Scotland; we are aware that some people have looked for its reintroduction, but there were difficulties with the scheme. If Mary Fee is willing to give me specific questions that she has on the scheme, I will respond to them.

Cycling Infrastructure

7. Jim Eadie (Edinburgh Southern) (SNP): To ask the Scottish Government what recent discussions it has had with cycling organisations regarding improvements to cycling infrastructure. (S4O-03373)

The Minister for Transport and Veterans (Keith Brown): I and my officials speak regularly to cycling organisations regarding cycling infrastructure. The outcome of the most recent discussion was the allocation of an additional £7 million of funding for cycling and walking infrastructure projects, which was announced on 10 June.

In partnership with Sustrans, the Scottish Government also last week allocated 84 Commonwealth games legacy cycle racks to businesses across Scotland, which will provide an additional 840 cycle parking spaces in workplaces.

Jim Eadie: Given the growing appetite across Scotland for cycling infrastructure that makes cycling an easy and natural choice for everyday short trips, what message does it send out to cyclists and to tourists visiting Scotland that Network Rail has banned cycling from Waverley Bridge down into the station, which means that cyclists have to use the narrow pavements that are already often congested with walkers and are totally unsuitable for prams, buggies and bikes to pass each other? Will the minister take the matter up with Network Rail and ask it urgently to review

the decision so as to permit safe access to the station for cyclists, and ask it to ensure that much more customer-friendly signage is established?

Keith Brown: The message that that sends out is that Network Rail is very concerned about safety within the stations that it owns. I am informed by Network Rail that the decision to close both ramps to all users other than delivery vehicles has been necessary to create a more secure station. That provides a number of benefits, including safer interface between passengers and vehicles and improvement in the air quality.

The recently completed improvement programme has delivered new fully accessible entrances to the station at Calton Road and Market Street, with additional cycle parking at the west side of the station. It is in everyone's interests that we have safe and secure access to the railway. I am sure that Network Rail is already aware of the particular issues that Jim Eadie raises—in fact, I discussed them last night with the route manager for Network Rail. I am happy to raise again the concerns that Jim Eadie has raised on cycling access.

Annabel Goldie (West Scotland) (Con): I share Mr Eadie's concerns. As a regular commuter, I have to say that the new arrangements could not be more inconvenient—and I regard myself as being reasonably able bodied. For example, people who require access to taxis are now without any cover in times of heavy rainfall. What are elderly people or people with disabilities meant to do to cope with that?

Keith Brown: Part of the issue is that Waverley is unique, in that it is, in effect, underground. I do not think that any other stations are in the same situation. Network Rail has been very concerned to ensure that the safety of passengers and people accessing the railway is paramount. There was a fatal accident there recently, as Annabel Goldie will know. That is the background against which Network Rail has developed its proposals. There was access by taxis before, but it was found to be potentially dangerous—as it proved to be in the incident that I mentioned.

Network Rail is examining the matter further. I have had representations from the City of Edinburgh Council, and I have raised issues on the council's behalf with Network Rail. Its primary interest has to be safe access to and exit from the railway station. There are at least two taxi ranks very close to where people come out of the two entrances of the station. I will raise those issues again with Network Rail, but it is acting for the best of reasons.

“Below the Breadline”

8. James Dornan (Glasgow Cathcart) (SNP): To ask the Scottish Government what its position is on the report “Below the Breadline”, published by Oxfam, Church Action on Poverty and the Trussell Trust. (S4O-03374)

The Minister for Housing and Welfare (Margaret Burgess): The report contains some important messages, showing that a combination of changes to the social security system, low wages and rising living costs are contributing significantly to food poverty.

It is unacceptable that anyone in a country as prosperous as Scotland should have to rely on food banks, yet both the food aid report that we published in December and the recent report from the Parliament’s Welfare Reform Committee show that benefit changes and delays are leading more and more people to turn to food banks.

We are taking action to support those who are most in need through our £1 million emergency food action plan, but we simply cannot mitigate all the changes coming from Westminster. We need the powers of independence in order to build a fairer society, including actions to address low pay and a welfare system that is better suited to Scotland’s needs.

James Dornan: Does the minister agree that it is important that organisations such as Oxfam and the Trussell Trust should be able to draw attention to the perfect storm that is brewing with regard to the poverty that is experienced by far too many people across the UK—which was also highlighted in the Scotland’s outlook campaign, led by the Scottish Council for Voluntary Organisations—without fear of being shut down, as in the case of the Trussell Trust, or of being reported to the Charity Commission, as in the case of Oxfam?

Margaret Burgess: I absolutely agree that organisations that are working on the front line and that have the evidence to inform all of us should not be under any threat of being closed down. The United Kingdom Government’s welfare reforms, which the Scottish Government has consistently opposed, involve punitive cuts. That is what the UK Government does not want people to hear. I very much agree with James Dornan: all organisations working on the front line should have the right to speak out, based on what they see in front of them on a daily basis, and they should not have any fear of being closed down because of that.

Jackie Baillie (Dumbarton) (Lab): I am sure that the cabinet secretary—I am sorry, I mean the minister; I have just promoted her. I am sure that the minister appreciates that an increasing number of employed people are accessing food banks and I am sure that she would agree that we need to do

more to address in-work poverty. I welcome the £1 million food action plan, but does the minister regret not introducing the living wage? That is a power that she has now, which would have made a difference to 400,000 families across Scotland.

Margaret Burgess: If successive UK Governments had increased the minimum wage, even in line with inflation, people in Scotland who are on low incomes would be £600 a year better off.

The Deputy First Minister has made our position on the living wage absolutely clear; we have led on the living wage. The Scottish Government pays it to everyone across the sector for which it is responsible. We have supported the Poverty Alliance and have funded it to promote accreditation of living-wage-paying employers in Scotland. Nobody should have any doubt whatever about the position of the Scottish Government regarding the living wage.

Transport Developments (Aberdeen)

9. Mark McDonald (Aberdeen Donside) (SNP): To ask the Scottish Government what recent discussions it has had with Aberdeen City Council regarding transport developments. (S4O-03375)

The Minister for Transport and Veterans (Keith Brown): The Scottish Government has had regular discussions with Aberdeen City Council about a number of transport developments, including public transport, road and rail infrastructure, electric vehicle infrastructure and hydrogen infrastructure.

Mark McDonald: I welcome the announcement of the preferred bidder for the Aberdeen western peripheral route. Aberdeen City Council is a partner in delivering that project. Can the minister advise whether the council is fully participating in discussions around the project and projects that will follow on from it, given the recent decision by the administration not to involve itself in the public information events around the Haudagain improvement plan?

Keith Brown: I can confirm that the timescales are discussed regularly and that Aberdeen City Council, as a funding partner for the project, participates fully in all discussions. Following my attendance at Aberdeen City Council’s finance, policy and resources committee meeting on 6 May to discuss the Scottish Government’s commitment to improving Haudagain—which was a very constructive meeting—the council has confirmed that it will work closely with Transport Scotland as the Haudagain improvement and Middlefield regeneration schemes progress, in order to facilitate a joint approach that best serves local residents and road users.

Scotland's Future

The Presiding Officer (Tricia Marwick): The next item of business is a debate on motion S4M-10353, in the name of Johann Lamont, on Scotland's future.

14:40

Johann Lamont (Glasgow Pollok) (Lab): Earlier this week I joined my colleagues in the Scottish Conservatives and the Scottish Liberal Democrats to pledge more powers for Scotland. The people of Scotland now know that, whatever the result of the referendum, there will be change, and that the choice is between separating completely and going off on our own, and continuing to share power with our neighbours where we believe that it is in our interests to do so.

The debate about more powers for Scotland is interesting, whether the powers come to a devolved Parliament or an independent one. The debate has been allowed to dominate Scottish politics over a period, but we should not allow it to distract us from considering the significant powers that the Scottish Parliament has. The keys to realising our ambitions for Scotland already lie in Holyrood, and the Scottish Government has the power to set priorities.

In education, we have the ability to teach, train and skill up our children and young people, so that they can take up chances to drive a new, changing economy, and we have the ability to give people who lose their jobs opportunities to retrain for their next jobs. In health, we have the means to ensure that our sick, our vulnerable and our elderly are supported and cared for with the respect and dignity that we would want, and to build a Scotland in which people's physical and mental health is such that they can take up the opportunities that we create for them.

Too often, we spend our time in this Parliament debating what we cannot do. We do not spend enough time talking about what we can do. For some time, the Parliament has failed to be a forum for new, radical ideas about improving educational standards or closing the gap on health inequalities, and it will not be such a forum until we get past the constitutional question.

Issues to do with schools and hospitals remain a key factor in the referendum campaign. That is because people are asking themselves whether a yes vote or a no vote is best for public services. I believe that a no vote gives Scots the best of both worlds: schools and hospitals that are delivered by a Scottish Parliament that is backed by the economic security and stability of the United Kingdom, which allows us to invest in our priorities.

I am sure that my yes colleagues will argue that in an independent Scotland there will be more money to spend on the things that matter. The economics of independence have long been debated by both sides and are a key area of the campaign that we will debate again. Members of the Scottish public—the people who will come together to decide our future on 18 September—will have to choose which side to believe, whose arguments make the most sense and what fits best with their view of the future.

People often bemoan having to make a choice between competing arguments and facts. They see politicians setting out seemingly contradictory positions and appearing to argue that black is white, and they are left wondering who to believe. They cry for good, impartial information. They want to hear unbiased, unvarnished facts, which will allow them to make the key decision on behalf of their families.

Yet there might never in Scottish history have been a vote in which people have had more information. A small industry has been set up to analyse the consequences and ramifications of an imaginary world that might never happen. The key question is whether Scots would be better or worse off if they voted to leave the United Kingdom.

The fact that that is debated at all illustrates how difficult it is to pick through the assumptions and predictions. However, many people have tried to do so. Let us consider what some of the experts—the economists and the think tanks—say. The Institute for Fiscal Studies said:

"Our calculations suggest that an independent Scotland could expect to be running a deficit of around 5% of GDP in 2016-17, which would be larger than that facing the UK as a whole, and would necessitate tax rises or spending cuts."

The Centre for Public Policy for Regions said:

"there will be a net fiscal loss under independence, looking into the future."

Citigroup said that, with the recent drop in oil revenues, Scotland's fiscal deficit is now significantly above UK levels, and the Pensions Policy Institute said that a future Scottish Government would need to raise tax, cut spending or accept higher debt.

Brian Ashcroft, emeritus professor of economics at the University of Strathclyde, said:

"Scottish government outlays would rise ... That would mean additional borrowing, or a diversion of spending from investment in the people of Scotland."

Martin Wolf CBE, the chief economics commentator for the *Financial Times*, said:

"To avoid the risk, it would need to lower its debts quite rapidly. This would require even greater austerity than in the UK as a whole. Given its close ties to the rest of the

UK, Scotland could not get away with taxing corporations or skilled people more heavily than its neighbour. So the bulk of this extra austerity would surely fall on public spending."

I believe that a consensus is growing among those financial experts that Scotland would be worse off and that there would be less money to spend on the things that matter. On the one side, we have professors, economists, academics and policy experts all saying the same thing—that Scotland would be worse off. On the other side, we have a group of people—Alex Salmond, Nicola Sturgeon and John Swinney—arguing the opposite. They say that they like independence, but the last thing that they will listen to is independent experts who examine their plans.

The central deceit at the heart of the nationalists' case for independence is the belief that the land of milk and honey is possible simply with a yes vote. Do you want tax cuts? You can have them with a yes vote. Do you want better childcare? You can have it with a yes vote. A new industrial strategy? Just vote yes. Every day, the SNP's offer grows larger and larger, suspending the rules of arithmetic with every promise and pledge.

However, here is the reality as confirmed by the leading financial experts and economists who have looked at the costs. If Scotland was to vote yes, the first Government of the newly independent country not only would not be able to deliver the litany of wonderful things that Nicola Sturgeon and her colleagues promise every day; it would not be able to deliver even what we have now.

Chic Brodie (South Scotland) (SNP): After that litany of how poor we are all going to be, can the member tell me what the trade position of Scotland is compared with the trade position of the UK?

Johann Lamont: If the member had listened to what I said, he would know that those are the views of independent experts. We know how good SNP members are at plucking a figure out of the air, doubling it and pretending that nobody else has to do the sums. Their sums do not add up.

If Scotland was to vote yes, the Government would not be able to deliver even what we have now. Instead of improving in an independent Scotland, public services would be worse if we cut our ties with the United Kingdom.

Let us consider the figures that have been supplied by the IFS, the think tank that Alex Salmond often quotes when it suits his argument. The IFS estimates that, in 2016, if there was a yes vote, an independent Scotland would face an additional deficit of £4.7 billion. Our deficit would be twice the rate of the UK's deficit, and it would

leave an incoming Scottish Government facing three options.

First, the Scottish Government could borrow even more money to run that inflated deficit but, given the fact that borrowing costs for a newly independent Scotland would be much higher, that option would not plug the fiscal gap. Also, if we were in a currency union, we would have to get a foreign chancellor's permission first.

Alternatively, the Scottish Government could do something that Alex Salmond has never considered before—it could ask business or the rich to pay more tax. However, given the fact that his key policies for an independent Scotland are to keep the higher tax rate at 45p and to slash corporation tax for big business, there seems little chance of that.

It is more likely that it will fall to hard-working Scots to pay for Alex Salmond's referendum promises. If Scotland's 2.5 million workers were asked to shoulder the additional burden equally through tax increases, it would mean an additional £1,700 tax bill for each of them. It also seems inevitable that we would face public service cuts—cuts to schools and hospitals.

John Mason (Glasgow Shettleston) (SNP): Can the member guarantee that, if we stay in the UK, the Scottish budget will not be cut?

Johann Lamont: Certainly, if there is a Labour Government back in power—[*Interruption.*]

The Presiding Officer: Order.

Johann Lamont: We know how desperately the SNP back benchers are praying for a Conservative victory in 2015. They always put their own interests ahead of those of the people of Scotland.

Rather than having to find all those cuts, just think what £4.7 billion extra to spend could do for Scotland. That sum is the equivalent of 150,000 nurses, 125,000 teachers, more than 500 primary schools, 184 secondary schools or 74 hospitals, which is more than we could ever need.

People must ask themselves why anyone would want to do that to their country, but the proposal that the SNP Government has put to the people of Scotland is unsustainable borrowing, swingeing tax increases or deep cuts to public services—or perhaps a mixture of all three. All the experts agree that one of those three options, or a mixture of them all, is inevitable in the first budget of the Government of an independent Scottish state.

The Scottish Government's answer to all its financial problems lies at the bottom of the North Sea, a revenue that it can uniquely predict. Ignore the experts: John Swinney's magic calculator can make the numbers add up. However, even that

illustrates the precarious footing in which the SNP Government would place the public services that we cherish.

This year's "Government Expenditure and Revenue Scotland" figures show that oil revenues dropped by £4.5 billion in the past year. That is more than our whole education budget. Only a Government as reckless as this one—whose one and only goal is to achieve independence for its people—would risk the education of our children and the care of our sick and elderly on a commodity as volatile as oil.

We already live in a country where you cannot go to accident and emergency in Aberdeen and you would be best advised not to give birth to a child in Wishaw, but the Government would have to cut health spending dramatically on top of that.

Richard Lyle (Central Scotland) (SNP): That is outrageous.

The Presiding Officer: Order.

Johann Lamont: The SNP must confront the real world. *[Interruption.]*

The Presiding Officer: Order.

Johann Lamont: It must confront the real world—not the fantasy world it has been living in for the past two years.

The SNP—the party which sided with Thatcher; the party which said that Scotland did not mind her economics; the party which sided with the people who said that unemployment was a price worth paying—is now saying that there is no price too high for Scotland to pay for separation. A deficit more than double the rate of the UK deficit? That will be fine. Losing more than the entire education budget? A mere bagatelle. Losing thousands of nurses? Scotland can afford that.

The truth of the matter is that the nationalists think that they will liberate Scotland; instead, they will impoverish Scotland. The truth is that no one joined the SNP to improve public services; they joined to separate Scotland from the rest of the UK. They are so determined to do that they will say anything about anything else because everything is a side issue to the main event.

Scotland's public services face two futures on September 2014: a future after a yes vote in which all the experts agree Scotland will face renewed austerity over and above what we currently face and cuts to schools and hospitals as a consequence; or we could face a different future if Scotland votes no.

We know that the best future for our schools and hospitals is one in which we can make the key decisions here at the Scottish Parliament but backed by the economic security and stability of the United Kingdom. The best future is one in

which we in Scotland decide what is best for our young people's education and our national health service, but we share the costs across 60 million people rather than 6 million. Pooling and sharing resources; spreading risk and sharing reward: that is the argument that is persuading a majority of Scots that a no vote will give us the best of both worlds.

I move,

That the Parliament recognises that the best future for Scotland is one where its devolved public services are delivered by the Scottish Parliament but backed by the security and stability of the United Kingdom; acknowledges the many financial experts, economists and think tanks that believe that Scotland would be worse off financially if it were an independent country, and agrees that the best way to ensure a high level of investment in its schools, hospitals and public services is for Scotland to stay strong in the UK, allowing it to pool and share resources with its neighbours, which means that the people of Scotland enjoy the best of both worlds.

14:54

The Deputy First Minister and Cabinet Secretary for Infrastructure, Investment and Cities (Nicola Sturgeon): I very much welcome this Labour debate. Johann Lamont said that a key question in the debate is whether yes or no is best for our public services. I very much agree.

The debate is very timely coming as it comes on the very same day that another senior Labour figure, the vice convener of Unison in Scotland, has declared for yes. Stephen Smellie's backing for independence comes hard on the heels of that of Pat Kelly, senior Labour activist and former president of the Scottish Trades Union Congress, of Jamie Kerr, vice chair of Renfrewshire South Labour Party, and of Anum Quasar, the general secretary of Muslim friends of Labour Scotland.

All those people, together with people such as Alex Mosson, Charles Gray, Carol Fox and Bob Thomson, understand that independence is the best route to a fairer Scotland, and—who knows?—independence might also be the best route to a reinvigorated Labour Party. On the evidence of today, the Labour Party in Scotland badly needs to be reinvigorated.

All in all, Johann Lamont could not have picked a better moment to demonstrate how increasingly out of touch she is with her supporters, but the real reason why I welcome the debate is that it gives me—against the backdrop of building momentum for yes—a perfect opportunity to set out again the positive case for Scotland becoming an independent country.

First, I will set out the evidence that says that we can more than afford to be a successful, independent country. Johann Lamont's speech was characterised by doom and gloom and woe,

but let us just remind ourselves of the facts. An independent Scotland would be the 14th richest country of those in the Organisation for Economic Co-operation and Development and would sit four places above the UK, so instead of being worse off as the depressing Labour motion says that it would be, Scotland would be better off. We generate more output per head than Japan, France and the UK. For every one of the past 33 years we have generated more tax per person than the UK as a whole has done, and over the past five years our public finances have been stronger than the UK's to the tune of £8.3 billion.

Gavin Brown (Lothian) (Con): Given that she has said that Scotland would be the 14th richest country in the OECD, does the Deputy First Minister not feel a little bit silly for saying in the white paper that we would be the eighth richest?

Nicola Sturgeon: The key point here is that the relative advantage of Scotland over the UK is absolutely maintained. I do not know whether the Conservatives think that it is silly to point out the inherent wealth of this country; I think that it is good to point out our inherent wealth. If they spent more time talking up Scotland rather than talking it down, maybe they would not be in the dire position that they are in.

Malcolm Chisholm (Edinburgh Northern and Leith) (Lab): Will the cabinet secretary take an intervention?

Nicola Sturgeon: Not at the moment.

Scotland can be independent—of that there is not a shadow of doubt—but the question on the ballot paper is not “Can we?” but “Should we?” On Monday of this week, the Scottish Government published its draft independence bill. As Johann Lamont said, on the same day the Opposition parties made a joint statement on further devolution.

Johann Lamont was right to comment on the contrast between the two. Our bill showed how Scotland, with all the confidence and powers of an independent nation, could set out our aspirations for this nation, work towards fairness in our society and remove nuclear weapons from our soil. By contrast, what the Opposition parties offered the people of Scotland was a pig in a poke: no agreement on specific powers to be devolved—not even one; no indication of a timetable; no say for the Scottish people; and no guarantee that anything whatsoever will be delivered. That is not good enough.

The only thing that will come with a guarantee of more powers is a yes vote to enable the people who live and work in Scotland to decide how this country should be run, not just in the areas that Westminster chooses to devolve but across the whole range of Government activity: taxation as

well as education; welfare as well as health; and foreign affairs as well as justice. A yes vote will enable us to take responsibility for our own future and will give us the powers to address the challenges that we face and to maximise our opportunities.

Malcolm Chisholm: Will the cabinet secretary give way?

Nicola Sturgeon: Not at the moment.

I think that the founders of the Labour Party will have been turning in their graves as they listened to Johann Lamont, not just at her opening statement, which I will repeat just in case anyone missed it—she said, “Today, I join my partners in the Conservative Party”—but at the depressing, dismal lack of ambition in the Labour motion. It talks down Scotland—

Annabel Goldie (West Scotland) (Con): Will the Deputy First Minister give way?

Nicola Sturgeon: I am coming to you, Miss Goldie, so be patient.

The Labour motion talks down Scotland in virtually every line.

Johann Lamont: If Nicola Sturgeon knew about the proud history of the Labour Party, she would know that it is about solidarity and co-operation across the whole of the UK. [*Interruption.*]

The Deputy Presiding Officer (John Scott): Order.

Johann Lamont: The history of the Labour Party is about solidarity with the people of Belfast, Cardiff and Newcastle, who face the same problems that we do; it is not about separating ourselves off from them and blaming them for our problems.

Nicola Sturgeon: I know that the proud history of the Labour Party is being betrayed by Johann Lamont day in, day out, because the only solidarity that she shows these days is solidarity with the Conservative Party.

The dismal lack—

Annabel Goldie: Will the Deputy First Minister give way?

Nicola Sturgeon: I am coming to you right now.

The dismal lack of ambition in the Labour motion is almost as bad as a comment that Annabel Goldie made at a debate that I did with her and Johann Lamont on Friday night. She told the audience what reports they thought they should read if they wanted to know “just how dependent Scotland really is”. I do not believe that Scotland is dependent, but if Annabel Goldie were right and Westminster really had reduced us to a state of dependency, surely it would be time that

we did something about that. No one should revel in such a state.

In the same way, we should listen to the real lesson in the studies of the experts to whom the Labour motion refers, because they show us the risks and challenges that Scotland will face if we stay as we are and continue to follow the policies of the UK. Challenges of demography, inherited debt and public finances are products of the status quo; they are not arguments for keeping things as they are, but arguments for change. They demonstrate the necessity for this country to become independent and to find our way of addressing such challenges. With independence, Scotland would be a national economy with all the tools of other independent states. We would no longer be a region of an unbalanced and unequal UK economy, just waiting for things to be done for us and to us. Independence puts responsibility into our hands.

We have published the outlook for our public finances on independence and the years ahead, and it shows that on all key fiscal measures our finances in 2016-17 will be similar to or stronger than both the UK and the G7 countries as a whole.

Gavin Brown: Will the Deputy First Minister give way?

Nicola Sturgeon: Not at the moment.

More than that, we have set out how policies to boost productivity, grow our population and increase participation in the labour market could boost our tax receipts by an additional £5 billion a year.

We have also proudly produced proposals to reindustrialise Scotland, something that the Labour Party might once have found it within itself to agree with and back, and we have set out how we can use policy levers to strengthen manufacturing, promote innovation and encourage trade and investment. All of those aims should be the aims and ambitions of every party in the chamber.

That is what is so dispiriting about the Labour motion. There is no alternative plan to increase employment, to grow the economy or to grow our working age population. Labour's only solution to the challenges that we face is to leave things to Westminster and hope for the best. That is not good enough. The most high-risk approach imaginable to Scotland's public finances is to leave the decisions on our funding to the Treasury, knowing that the chancellor and his opposite number are planning further cuts, and to leave the Barnett formula in the hands of the Treasury, knowing that senior voices in all parties want to cut Scotland's budget by up to £4 billion.

We are offering the alternative to that. The way to secure the resources of Scotland and our public finances is through independence; to retain in Scotland the tax raised in Scotland; and to retain the benefits of our economic policies to ensure that our investment in infrastructure or childcare results in increased tax receipts and further investment, instead of disappearing into the Treasury.

The simple fact is that this is a choice between two futures: on the one hand, hope, ambition and optimism, and on the other, a dreary, dismal and depressing outlook. Independence—in other words, not relying or being dependent on Westminster—is the best way to secure the future of our economy, our public services and the people of this country. That is why I am proud to move the amendment in my name.

I move amendment S4M-10353.3, to leave out from “recognises” to end and insert:

“notes that its record of delivery under devolution demonstrates that decisions about Scotland are best taken by the people who live and work in Scotland; welcomes the Scottish Government's recently published proposals to use the powers of an independent country to reindustrialise Scotland, to improve Scotland's economic growth and strengthen public finances; further welcomes the publication of the proposals of the Expert Working Group on Welfare to create a fair, simple and personal welfare system in an independent Scotland; notes that the joint statement from the Scottish Labour, Scottish Conservative and Scottish Liberal Democrat parties contains no commitment to specific further powers and that any further devolution would require the agreement of the UK Government and the UK Parliament, whatever the views of the people of Scotland, in contrast to the proposed interim constitution, which would ensure that sovereignty is held by the people of Scotland, and believes that only independence guarantees Scotland the powers to create a democratic, prosperous and fairer country.”

15:04

Gavin Brown (Lothian) (Con): Back in the real world, let us look at the document that Nicola Sturgeon was so keen to quote but less keen to take interventions and questions on. She boasted about how fabulous the “Outlook for Scotland's Public Finances and the Opportunities of Independence” document is. She talked about how it proved that, on every conceivable measure, an independent Scotland would be richer and would have healthier finances than the rest of the UK. What she did not say and what that document does not say at the beginning—it says this only tucked away in a box halfway through, on page 26—is that every single scenario in the document relies on scenario 4 of the Scottish Government's oil and gas projections.

Scenario 4 believes that we would get £6.9 billion of revenue from oil and gas in the first year of an independent Scotland, rising to £7.3 billion in

the year after that. In any analysis, that is an optimistic scenario for oil and gas. It is a full £4 billion higher than the Office for Budget Responsibility's central scenario. *[Interruption.]* It is funny: every time that the OBR is mentioned, we get scoffing from the Scottish National Party. Alex Neil, of all people, says, "They're very reliable, that lot," and Humza Yousaf shouts out loud. However, let us take a second to look at the OBR projections.

The Minister for External Affairs and International Development (Humza Yousaf):

The OBR has had to reforecast just about every forecast that it has made. Why on earth would Gavin Brown put responsibility on an independent body that has managed to get the figures of his own UK Government wrong and rely on those?

Gavin Brown: Humza Yousaf absolutely walked into that. He said that we cannot rely on the OBR. Let us look at who got it right with the most recent set of oil projections. For 2012-13, the OBR was very close to the actual output. The Scottish Government—it will not like this, but it is true—was out by almost £1 billion, despite making the projection three weeks before the end of the financial year. We will take no lessons from the SNP when it comes to projections on oil, or on anything else for that matter.

Let us look at the oil figures for 2013-14. We know, as we are at the end of the financial year and have had the projections, apart from the final ones, that the OBR's oil projections for 2013-14 were again just about right; this time, the Scottish Government was several billion pounds out in its projections. When it comes to having a track record on oil projections, the Scottish Government may scoff at the OBR, but the OBR is far better and far more successful than the Scottish Government has been so far with its projections.

Chic Brodie: Will Gavin Brown comment on the statement from the Petroleum Industry Research Associates energy group yesterday that Brent crude prices will average higher, to \$115 per barrel, and on *The Economist* commodity price index that was produced last week? Oil prices have risen 9.5 per cent in the past year.

Gavin Brown: The issue is that, for John Swinney's projections to come true, we need oil prices to stay high every single day of the financial year in question and in the financial years afterwards, and we need production to remain high and not to go down. The projections also rely on investment and production costs being lower than those that are projected. We need to roll a six with every roll of the dice for John Swinney's projections on oil to come true.

I notice that John Swinney has not challenged me once on the projections that I have talked

about. Every line in the "Outlook for Scotland's Public Finances and the Opportunities of Independence" relies entirely on revenue from oil and gas being £6.9 billion in 2016-17 and £7.3 billion in the year after. As I said, the projections are far higher than the OBR's projections; they are higher even than those of the Scottish Government's adviser in its fiscal commission working group, Professor Andrew Hughes Hallett. He said that the revenue will be between £4.5 billion and £5 billion. Mr Swinney's projection is therefore £2 billion above that of even his own trusted expert adviser, whom I have questioned several times about whether his estimate is reasonable. He was absolutely certain that it was. That means that Mr Swinney's projection is a hugely optimistic estimate.

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney) rose—

Gavin Brown: I will happily give way to the cabinet secretary.

The Deputy Presiding Officer: I am afraid that the member is in his last minute. I am sorry, Mr Swinney.

Gavin Brown: I apologise to the cabinet secretary. I guarantee that I will be happy to give way to Mr Swinney in my closing speech, when he can ask any questions that he likes on the figures.

The Government says that we will be better off and richer, but the only way in which it has managed to make us look wealthier than the UK is by giving a high oil projection for every single year. That is not good enough. We call on the Government to republish its projections with a central scenario that is cautious about oil instead of a scenario that is only optimistic about oil.

I move amendment S4M-10353.2, to insert at end:

"; notes that the recent Scottish Government paper, Outlook for Scotland's Public Finances and the Opportunities of Independence, assumes for all forecasts that Scenario 4 from the May 2014 Oil and Gas Analytical Bulletin occurs; calls on the Scottish Government to republish its forecasts for the public finances with both a central scenario and a cautious scenario for oil revenues, and further calls on it to publish the estimated set-up costs for an independent Scotland, along with the estimated costs of the policy commitments made in the white paper on independence and the policy commitments made after publication of the white paper".

15:10

Willie Rennie (Mid Scotland and Fife) (LD): Presiding Officer, I apologise for my rather flushed look this afternoon. I have been pitching a tent in the park with Johann Lamont—for wild in the park, I hesitate to confirm. If any member has not been over to the reception at wild in the park, I

encourage them to do that this afternoon so that they can get a tan like mine.

In the sunshine on Monday, on top of Calton Hill, all three parties that support the United Kingdom stood united for more powers for the Scottish Parliament. *[Interruption.]* On cue, the nationalists do what they did on Monday: they berate us for standing together. What Monday signified was that more powers are on the way. People need to know that if they vote no in September, they are not voting for no change, but for more powers that are guaranteed.

Each of the three parties has a detailed plan to back up its commitment. The Liberal Democrat plan is for home rule in a federal United Kingdom. We want this Parliament to raise the majority of the money that it spends so that we can determine our destiny on the domestic agenda while sharing risk with the United Kingdom. *[Interruption.]* The nationalists cannot accept that that constitutional option is the most popular one on the table and far more popular than the independence option. That is why they deride it so much and are so afraid of it.

We want to entrench the Scottish Parliament to make it a permanent constitutional feature. The test for us is this: if the Scottish Parliament wants to do something different for the NHS, schools or universities, we can do so. If we want to cut taxes for those on lower and middle incomes, like the Liberal Democrats at Westminster, we can do so. If we want to increase investment in early learning and childcare, like my colleagues at Westminster, we can choose to do that as well. All that can be achieved while sharing risk with the United Kingdom.

We know from reports that have been published that people in Scotland will be £1,400 better off each year from Scotland staying part of the United Kingdom. That is the UK dividend, which is made up of a variety of benefits that the nationalists like to deride but which are the reality of our relationship with the United Kingdom. Maintaining high public spending here in Scotland is something that the United Kingdom can achieve with its broad shoulders. The UK can deliver that even though oil revenues are so volatile from one year to the next and halve from one year to the next. That is significant, because oil would make up such a large proportion of total Scottish income under independence. That is why oil projections are so important.

Patrick Harvie (Glasgow) (Green): Mr Rennie talked about the UK guaranteeing the future of Scottish public spending. In her opening remarks, Johann Lamont attempted to offer a promise that an incoming Labour Government would not cut the Scottish budget. Does Mr Rennie want to gain some credibility by acknowledging that nobody in

this chamber is in a position to make such a commitment on behalf of an incoming chancellor in 2015, whoever they might be?

Willie Rennie: I do not know whether that intervention was directed at me or at Nicola Sturgeon. The SNP makes promises for the future as if no cuts will ever be made. Of course, there is volatility in finances, but with the United Kingdom we get the broad shoulders that can deal with the volatility from one year to the next. Because an independent Scotland would be so dependent on oil revenues, the challenges would be so much greater. Therefore, what we would see—*[Interruption.]*

What we hear is the scoffing from members on the SNP benches about the independent OBR. They scoff because they say that the OBR is too pessimistic. Listening to the nationalists, we would think that the OBR was part of some unionist conspiracy to do down Scotland. What the nationalists ignore is that, far from being pessimistic, the OBR is optimistic, overstating the oil revenues.

Far from being too dark and despondent with its oil projections, the OBR is far too cheery; it looks far too much at the upside. That has been confirmed by Professor Andrew Hughes Hallett, who also agrees with the OBR that the SNP's projections are far too optimistic. The professor states that there is a 30 per cent difference between his predictions and the SNP predictions. That is a mistake of £1.9 billion at least—potentially £2.4 billion—every single year for the first years of independence. That is a colossal mistake—it is a colossal overestimate. We need to recognise the problems and the challenges that we would face.

There needs to be a bit of reality on the SNP benches. I do not blame SNP members for their passion for independence. I recognise that they believe in their cause. I do not criticise them for that; I criticise them for the lack of reality and the lack of honesty about the policies and the costs of independence.

The Minister for Energy, Enterprise and Tourism (Fergus Ewing): Will the member take an intervention?

The Deputy Presiding Officer: The member is in his last 15 seconds.

Willie Rennie: I criticise them for the lack of honesty about the benefits of the United Kingdom—the £1,400 dividend that we get from staying part of the UK. Let us have no more scaremongering about the UK. Let us talk about the upside—the benefits of staying together.

I move amendment S4M-10353.1, to insert at end:

“; believes that every person in Scotland will be £1,400 better off each year by staying part of the UK; notes with concern the continued discrepancies between the estimates of the Scottish Government and those of a range of institutions including the Institute for Fiscal Studies and of experts including Professor Hughes-Hallett on oil revenue forecasts; further notes the refusal of the Scottish Government to provide any evidence of work carried out on the cost of setting up the systems and institutions required for independence, and believes that the Scottish Government should publish full set-up costs without further delay so that people have all of the information they require to make an informed decision on 18 September 2014”.

The Deputy Presiding Officer: We are very tight for time. Mr McDonald—you have up to six minutes, please.

15:16

Mark McDonald (Aberdeen Donside) (SNP): I guess that the most that we can say about Willie Rennie’s speech is that at least he did not get the Lego out.

Having listened to the quotations from other members, I want to read out a few quotations myself:

“Supporters of independence will always be able to cite examples of small, independent and thriving economies across Europe such as Finland, Switzerland and Norway. It would be wrong to suggest that Scotland could not be another such successful, independent country.”

David Cameron said that.

“I believe Scotland is big enough, rich enough and good enough to be an independent country”.

Ruth Davidson said that.

“The question is not whether Scotland can survive ... Of course it could”.

Alistair Darling said that.

“You’ll never hear me suggest that Scotland could not go its own way”.

Michael Moore said that.

Yet today, we essentially heard from Johann Lamont the epistle “We’re doomed if we become independent.”

Nicola Sturgeon highlighted a number of key Labour members who are backing independence for Scotland. One whom she omitted is the Labour MP for Leeds East, George Mudie, who has come out and said that Scotland should be independent. How refreshing that a Labour MP who represents an English constituency can see independence as the right choice for the nation of his birth and where he grew up. How sad and depressing that the Labour politicians who are in Scotland cannot see past their antipathy towards the SNP and recognise the possibilities that independence could bring for Scotland.

Johann Lamont made the claim that we on the SNP benches did not get into politics to improve Scotland but instead to impoverish it, which I think is a rather unfortunate slight to make. She thinks that we see independence as an end and not as a means. That demonstrates a total misunderstanding, and it also overlooks the improvements in public services that have been delivered in this Parliament.

Nobody would seek to say that there have not been improvements in Scottish public life as a result of the establishment of the devolved Parliament, but the point is that devolution can take us only so far. When we have a Westminster Government that acts against the interests of Scotland, we find ourselves having to mitigate where we can and, where we are not able to do so, having to simply thole what is wrought upon Scotland by Westminster.

Independence is not a magic wand, but it is a toolkit to improve Scotland and make it a better place. In 1997, the idea was put to Scotland that decisions about Scotland were best taken in Scotland and by the people of Scotland, on a range of areas such as health, education and justice. That was true irrespective of what the party of Government was at Westminster, because it was the Labour Party in power that delivered devolution for Scotland in those areas. It recognised that Westminster did not work for Scotland in those areas and that Scotland should take those decisions.

What we on the SNP benches seek to do is simply to extend that maxim and that principle to other areas of policy, whether it is to Trident—I was interested to hear Mr Rennie talk about all the things that we can already do in Scotland; one thing that we cannot do is rid ourselves of the abomination of nuclear weapons in Scotland, but with the powers that independence would bring, we could set that right—or to issues around welfare and fairness.

The idea that we have the best of both worlds is an interesting soundbite. However, some of our most vulnerable citizens have a degree of social protection provided to them through the fact that we continue to control our health service, here in Scotland, but when those people leave their GP surgeries and enter the clutches of Westminster welfare reform, we are, to all intents and purposes, powerless to help them. We can put in place forms of mitigation, and we have done that where we can, but we cannot address all the adverse impacts of welfare reform, such as the fact that 100,000 children will be plunged into poverty as a result of it. We can do some stuff to help those children, but we cannot do all the things that we would like to do; we cannot reverse some of the decisions that are being taken.

I welcome the expert group on welfare's approach and in particular its comments on the carers allowance. For a long time I have campaigned for carers and in particular for the carers allowance, so it is very refreshing to see that allowance—it has been one of the forgotten benefits—looked at with great seriousness.

It does not behove the Labour Party to dismiss—as its spokesperson did at the time—that very important piece of work as a bribe. I do not agree with the idea that if we offer people something that they do not have, we are offering them a bribe. We are offering a substantial piece of policy regarding a very important group in Scottish society. Rather than deriding that as a bribe, the Westminster parties could guarantee similar increases in the carers allowance in the current system. The fact that they choose not to says everything about how the Westminster system operates in relation to those who are dependent on the welfare state.

We often hear it told that Scotland would not be considered to have a credible or serious voice in foreign policy, but foreign policy is not just about a country's size or how loud we shout. It is about what we say, how we act and the alliances that we draw.

Rhoda Grant (Highlands and Islands) (Lab): Will the member take an intervention?

Mark McDonald: I am afraid that I am in my last 40 seconds.

The Deputy Presiding Officer: The member is in his last 30 seconds.

Mark McDonald: Nations such as Ireland and Belgium have made important contributions to United Nations peacekeeping missions. They are not major players in terms of the defence agenda or the wider international security agenda, but they play a strong peacekeeping role. If we look at how Norway played an important role in the middle east peace process through the drafting of the Oslo accord, we can see that small independent nations that use the right kind of language and behaviour in the international scene can play a credible and forceful role in foreign policy affairs. Such countries do not need to have a large population or to be one of the great military powers, which we are often told that we are a part of, that get dragged into conflicts such as Iraq—look how well that ended up.

15:23

Iain Gray (East Lothian) (Lab): It is a truth universally acknowledged that in this referendum campaign many voters still feel that there is a lack of dispassionate information available about the economic and fiscal position of an independent

Scotland. They certainly did not get any from the cabinet secretary's largely substance-free contribution.

The truth is that every day sees a growing body of rigorous analysis from academics, think tanks, ratings agencies and major companies, independent of either campaign, or indeed either Government, which are remarkably consistent in their views. An independent Scotland would face higher debt, a higher deficit and higher borrowing costs than we do as part of the United Kingdom. Pretty well all those reports point to higher taxes or greater cuts in public services than anything that has been required while we have been in the UK, as a direct consequence of separation.

The views on the scale of cuts in public services that we would face are pretty consistent, too. The most recent estimate, which came from the IFS, calculated that the deficit in an independent Scotland would be 5.5 per cent of GDP, which is around twice what we would face as part of the UK. That means that we would have to find £4.5 billion of cuts just to stand still. I see that Patrick Harvie is not here, but the answer to his question to Willie Rennie is that whatever challenges we face as part of the UK would be greater and more acute if we were a separate country.

The extra borrowing that Mr Swinney announced he plans to make post-independence would simply be swallowed up, and we would still be paying off teachers and nurses by the thousand. Yet those figures do not begin to include the costs of the promises that the Scottish Government has made with no idea how it will pay for them. It will need £550 million to pay pensions earlier, £1.2 billion to pay for childcare and £300 million or so for benefit changes. Let us not forget the windfalls for big business: £380 million for a corporation tax cut, up to £230 million to cut air passenger duty and £150 million a year for the energy companies so that they can end their environmental obligations and pass them back to Scottish citizens and taxpayers. Mr Swinney says that those figures do not include the diversion of oil revenues to an oil fund on day 1, but even the Government's own white paper admits that there is no spare oil money for an oil fund.

The figures also do not include the set-up costs for a new country. The Institute of Chartered Accountants of Scotland has estimated that it will cost £700 million just to set up a tax system, which is almost exactly the figure that Mr Swinney himself estimated in his private paper to his Cabinet colleagues. All those sums will have to be cut from public spending, schools, hospitals and local services.

John Mason: The member is portraying the most negative position. Does he accept that, if

GDP was to grow by even 1 or 2 per cent, that would cover quite a lot of those figures?

Iain Gray: Mr Mason has perfect timing: the way out of the problem would be to believe the Scottish Government's forecasts, which tell us that there would suddenly be more economic growth. The Scottish Government says that our productivity will jump, our employment rate will suddenly soar, net in-migration will double and the working-age population will boom. It says that the Office for Budget Responsibility cannot forecast oil revenues, so it has thought of a number, doubled it and added a couple of billion pounds on for luck. It assumes that setting up a new country will cost us less than the building in which we now stand—maybe it will cost nothing at all.

When the Scottish Government is asked where the increases in productivity and employment will come from, it does not know. When it is asked where 24,000 net migrants a year will come from, it does not know. When it is asked what the set-up costs for Scotland will be, it tells us that it does not know. When it is asked what the currency in this country will be when there is no currency union, it tells us that it does not know and will not say.

In response to independent analysis that says that independence will mean cuts to public services, to credit agencies that tell us that we will pay more to borrow and to bodies such as the Pensions Policy Institute, which said to our Finance Committee today that independence would jeopardise the affordability of pensions, the Scottish Government has nothing to offer but a towering edifice of dodgy arithmetic, unfounded assertion and wishful thinking. To paraphrase one commentator, it would be pie in the sky, except we do not even have the ingredients for the pie.

One of my local activists summed up the independence offer perfectly when he said to me that it is a gamble funded by a lottery. This is a gamble with the highest stakes of all. It is a gamble with our schools, our hospitals, the jobs of our teachers and nurses, the education of our youngsters and the pensions of our older citizens.

Last week, we saw the news that the biggest political bet ever had been placed on the outcome of the referendum, but the truth is that the biggest political bet ever in this country is the independence prospectus itself. The stake is the future of our country and the life chances and wellbeing of our people. It is a gamble that we do not have to make, and a gamble that we should resoundingly reject come September.

15:29

Joan McAlpine (South Scotland) (SNP): It was Samuel Johnson who said:

“Our aspirations are our possibilities.”

That means that if we want to progress, we have to believe that change is possible or, to use the phrase that has been popularised by the radical independence movement—our colleagues in Yes—“another Scotland is possible”.

Today's Labour motion suggests that the party has no aspirations—that is apparent: Labour is telling us that change is not possible and that empowerment is not possible. I contrast its motion with a number of documents that have been published in recent weeks, which envisage the possibilities of a better Scotland in the future. One is “Re-Thinking Welfare: Fair, Personal & Simple”, the second report of the expert working group on welfare, which was chaired by Martyn Evans of the Carnegie UK Trust. It sets out a vision for a fairer Scotland for the most vulnerable people in the country, with recommendations on re-establishing a link between benefits and the cost of living and an increase in the carers allowance. It also recommends that the first Government of an independent Scotland should have as its goal a living wage instead of a minimum wage.

Last week, the First Minister unveiled “Reindustrialising Scotland for the 21st Century: A Sustainable Industrial Strategy for a Modern, Independent Nation”, a document that shows that we could grow our manufacturing output by a third and suggests some practical ways to deliver that with the powers of independence—for example, through a properly funded Scottish business development bank, a simple and more effective tax system and a network of overseas offices that is designed to boost our exports.

On Monday, the Deputy First Minister published “The Scottish Independence Bill: A consultation on an interim constitution for Scotland”. I found reading the draft constitution an encouraging and a moving experience. In particular, the clarity of the language is inspiring. It begins with the simple statement:

“In Scotland, the people are sovereign”.

Section 3 says:

“In Scotland, the people have the sovereign right to self-determination and to choose freely the form in which their State is to be constituted and how they are to be governed.”

I have mentioned just three of the many documents that the Government and others have published, outlining a vision of the future—a vision of welfare, of the economy and of the empowerment of the people. All those documents share an ambition for Scotland. They meet that Samuel Johnson maxim about our aspirations being our possibilities.

Another Scotland is possible. That is something that the Labour Party used to believe. The motion today suggests that the Labour Party has given up on that belief, given up on ambition and given up on vision. The Labour motion has no vision for a fairer welfare system, and it has nothing to say about growing our economy or truly empowering our people. Instead, the motion talks of the security and stability of the UK. However, a UK that is paying £1 billion a week in debt interest repayments is neither secure nor stable.

The UK Government has capped welfare, with the support of the Labour Party in Westminster, showing that, in the UK, the most vulnerable face a bleak future. The motion suggests that the UK is okay. However, that welfare cap is not okay. A hundred thousand children in poverty by 2020, as the Child Poverty Action Group has predicted, is not okay. A regionally imbalanced economy in which output in London is 70 per cent higher than the UK average is not okay. Income inequality that is among the worst in the OECD is not okay, either.

If that is the best vision that Labour has to offer, the people of Scotland should have only two words to say to it: "No thanks."

15:32

Kezia Dugdale (Lothian) (Lab): Johann Lamont has established well the case for why the best future for Scotland is one in which its devolved public services are delivered by the Scottish Parliament but are backed by the security and stability of the United Kingdom. My colleague Iain Gray has collated all the substantial evidence that states that Scotland would be £4.5 billion worse off under independence, having to find more than £4 billion just to stand still. In the time that I have got, I would like to look at the budget lines around education and how that money is spent. If I have time, I will consider the additional promises that the Government has made.

The magic number of £4.5 billion represents the money that we would need to find. It is also the drop in oil revenue between 2011-12 and 2012-13—and it is the entire schools budget.

I have spent a lot of time knocking on doors and taking part in referendum debates, and I have met a lot of undecided voters who are completely scunnered by the way in which we talk about the country's finances. One side says that people would be £1,400 better off and the other side talks about £1,000 with independence. People are left thinking that someone is going to run up to them with bundles of £20 notes, because they do not realise that those projections are based on estimates about what the situation will be 10 or 15 years in the future. If economists cannot forecast

one year ahead effectively, how can voters give any credence to such sales pitches? That is why the comparison between oil revenues and schools is such a compelling one. Here is a resource that is so volatile that a dip in its value from one year to the next is enough to wipe out the entire schools budget.

Mark McDonald: The comparison is valid only if the member is asserting that oil revenues are all that would be available to pay for schools, but that is clearly not the case in a budget.

Kezia Dugdale: I am merely making the point that that is how undecided voters look at the debate. They are trying to get their heads around the finances, but Mark McDonald's side's sums do not add up—and they do not add up to the size of the entire schools budget. That is where the size and security of the UK come in. The UK can carry that fluctuation in prices with far greater ease than an independent Scotland could.

In her amendment, the Deputy First Minister refers to the Government's

"record of delivery under devolution".

Let us look at the detail of that record in relation to education. Cash-terms spending on secondary schools is falling—from 2008 to 2011, it fell by £91.4 million. Real-terms spending on secondary schools is also falling—since 2007, it is down 8.6 per cent.

Teachers are feeling the pressure of having to deliver more for less. The latest Educational Institute of Scotland teacher survey, which was published just last week, contains some startling statistics: only one teacher in three is satisfied with their working life; 84 per cent of teachers had varying levels of work-related stress; and only one teacher in 10 was satisfied with their current workload. The resounding message from teachers is that they do not feel heard, do not feel valued as professionals and do not feel that they are getting the support that they require.

Meanwhile, educational inequality persists. It is at its starkest when we examine the experiences of looked-after children in Scotland. This week, the Scottish Government produced a new report on looked-after children, although members would be hard pressed to find it underneath all the other bumf on the Scottish Government website, including proposals for a new constitution. That shows once again the complete lack of the Government's exposure of, and priorities on, the issue.

Let us look at the headline numbers. First, 85 per cent of looked-after young people left school as soon as they were old enough, in comparison with 30 per cent of all school leavers. Only 62 per cent of looked-after kids had positive destinations

after school, compared with 90 per cent of all school leavers. To the Government's credit, that is a considerable improvement on 2009-10, but there is still a long way to go.

The news on tariff scores is not so good. The average tariff score of a looked-after child in Scotland is 86, whereas it is 407 across all school leavers. That means that kids who are not in care are outperforming kids in care by a rate of five to one. That is a shocking statistic, but it is not the most damning statistic in the Government's report, because the gap is getting bigger: the tariff scores across all kids are increasing at twice the rate of that for looked-after children.

That matters in the debate because education is an entirely devolved issue. The Scottish Government, not the dastardly Administration 400 miles down the road, sets the priorities and makes the hard choices.

Peter Peacock asked the OECD to investigate Scottish schooling back in 2004. A comprehensive and compelling report was produced in 2007 showing that we had an inequality problem in our schools. The Government has completely failed to address it. That record speaks volumes about the Government's commitment to tackling inequality in our schools.

The education maintenance allowance is another classic example. Mike Russell boasts about the increased number of school pupils who are in receipt of the EMA, but denies that he has cut £10 million from the budget, while college students are unable to take it at all. There has been a 26 per cent cut in the EMA.

What about colleges? There has been a 37 per cent reduction in student numbers. The SNP will say that those numbers are wrong, but it fudged the statistics by redefining a full-time course. Once again, women are disproportionately affected by those changes. That is before we even get to the SNP's childcare commitments. We and the Scottish Parliament information centre believe that those will cost £1.1 billion, and the Government will not produce the economic model that will tell us where it will find that money.

The Government needs £4.5 billion post-independence just to stand still, but it is standing still on the big issues such as educational inequality. That tells us everything that we need to know about its values and priorities. The Deputy First Minister says that we should look at the record. Well, the record on inequality is wafer thin. Why would it be any different with independence?

15:39

George Adam (Paisley) (SNP): I always welcome the opportunity to discuss Scotland's

future—the positive case for independence, as opposed to the negative reasons to stay in the union, which we continually hear from the Opposition parties. There is always a positive idea for us to talk about: the values and priorities that an independent Scotland would have. Independence gives us the opportunity to get the full levers of power and prioritise our values in order to deliver for the people of Scotland.

The eyes of the world are on Scotland. We are the talk of the international political steamie—and rightly so, given how important the issue is for the people of Scotland. We stand between two futures: the status quo, with further austerity cuts from a Westminster Government that Scotland did not vote for, or the responsibility of having the full powers of government.

Having those powers would mean no longer playing the blame game and blaming other political parties and Governments in other places. We would have the opportunity to take on the full responsibilities that independence brings and create the type of Scotland that every member in the chamber actually wants.

We live in one of the wealthiest countries in the world, yet many of our people do not have the opportunities that they need or, worse still, live in poverty. Westminster's austerity cuts to welfare are making their lives even more difficult, and many of our electorate have difficulty managing on the benefits that they get.

What type of Scotland do we want from independence? We can create a welfare system that supports our people back to work, makes work pay and provides a strong and decent safety net for those who are unable to work.

I welcome the fact that the Scottish Government has taken on board a number of the recommendations of its expert working group on welfare. My colleague Mark McDonald mentioned the recommendation to increase the carers allowance at the same rate as jobseekers allowance for those aged 25 or over. Another recommendation was that we re-establish the link between benefits and the cost of living, so that benefits and tax credits are increased each year in line with the consumer prices index.

Most important, we need to ensure that we have the powers to abolish the bedroom tax instead of just mitigating its effects. We can replace the current system of sanctions with one that is fairer and more personalised and positive, ending the situation in which we all have constituents coming to our offices who have been left penniless because of the current system.

That is the type of Scotland that I want to live in and that I want for the future.

Drew Smith (Glasgow) (Lab): I respect George Adam's passion on those issues, but why does he not have the ambition to abolish the bedroom tax for people who are suffering under it throughout the UK? Why such poverty of ambition?

George Adam: My ambition is to ensure that the people of Scotland have the opportunity to create the kind of country that we want. I want us, collectively, to be able to take our place in the world.

We would have the opportunity to make it easier for parents to get back to work by transferring the money that Westminster spends on Trident weapons to childcare: investing in weans, not weapons of mass destruction. Independence is about ensuring that we can take that money and build a Scotland in which we get people back to work where we can.

Our childcare policy is already in place. In the first budget, we will provide 600 hours of childcare to approximately half of Scotland's two-year-olds, and by the end of the first session of an independent Parliament we will ensure that all three-year-olds, four-year-olds and vulnerable two-year-olds are entitled to 1,140 hours of childcare.

Those are the things that can—and will, we believe—make a difference in people's lives.

Independence can give us the powers to invest back into childcare money that will be raised by enabling more women to get back into work. That will transform childcare and strengthen employability and skills, enabling more people—particularly women—to get back into work.

Those are the issues that I will deal with passionately in the chamber, because they will make a difference. When we have the powers of independence we can have that debate, instead of watching the usual Westminster ping-pong competition in which it is Tory one time and Labour the next, and they constantly blame everyone else instead of taking on responsibility for government and ensuring that we can move forward.

Scotland has a democratic deficit, and Westminster will never deliver the future that we want. Although 76 per cent of Scottish MPs voted against further austerity cuts in the 2010 budget, that made no difference and the cuts went ahead; indeed, 81 per cent of Scottish MPs voted against the welfare cuts and the change in the benefits updating system.

An old SNP councillor in Renfrewshire for 35 years, Jim Mitchell, who was a friend of mine and has now left us, used to say, "You're powerless if you remain within the Westminster system." Indeed, Scotland is powerless if we remain in the

Westminster system, because our ambition is bigger than that, and we want so much more.

The choice in front of us is quite simple. It is between having responsibility and the power to deal with the many challenges that we have with independence for us all, so that we can create the type of country that we all want—an exciting new dawn—and the continued negativity and austerity of Westminster. As a husband, a father and, as I recently announced, a soon-to-be grandfather, I know what type of country I want for my family and for the rest of the people in Scotland. That is why I believe passionately that independence is the only way forward. Give us the powers to create the country that we all want. That is surely something that everyone in here wants for the future.

15:45

Annabel Goldie (West Scotland) (Con): I am delighted to take part in the debate, because I whole-heartedly believe that the strongest and most stable and secure future for Scotland is one in which she remains part of the United Kingdom. As a general and positive observation about that partnership, we need only look at the current news headlines to understand why, in a global world, global influence matters. With the best will in the world, and no matter how well an independent Scotland was led, it could not replicate that influence.

There are many other reasons why Scotland is better off as part of our family of nations. One of the most compelling and obvious is that the United Kingdom allows us to pool and share resources across a population of 60 million people. Without doubt, that is the best way to ensure that Scotland continues to be able to invest in schools, hospitals and other public services.

That point is well illustrated when we look at the topic of pensions. To put it simply, the best way to ensure that our pensioners are supported is by spreading costs across these 60 million UK citizens, not just the population of 5 million in Scotland. As Scotland's population is projected to age faster than that of the rest of the UK and the proportion of Scotland's population of pensionable age is already greater and is projected to increase more rapidly than that of the rest of the United Kingdom, there can be no doubt that pensions will become less affordable in an independent Scotland.

I can hear the SNP back benchers chirruping their usual indignation, with the mantra, "Everything will be okay because Scotland has oil and that oil makes Scotland one of the wealthiest countries in the world." In fact, I believe that one of the Yes Scotland billboards proclaims:

"What would you say to living in one of the world's wealthiest nations?"

We already do—it is called the United Kingdom. As part of the United Kingdom, Scotland is already a proud and vibrant country in a strong, successful and stable union.

Annabelle Ewing (Mid Scotland and Fife) (SNP): Will the member take an intervention?

Annabel Goldie: Let me make progress.

I will comment on oil and gas, which my colleague Gavin Brown has so eloquently talked about. Oil and gas are a fantastic success story. According to Mr Swinney's leaked memorandum, they have been essential for funding Scotland's public services over the past 21 years. However, even with those revenues Scotland has been in deficit in all but one of those years. They have safeguarded Scotland's public services. The oil and gas sector is an amazing job and revenue creator and it is one of which Scotland should rightly be proud.

However, in an independent Scotland, oil and gas would be a much bigger proportion of the Scottish economy than they currently are in the wider UK economy. That should ring alarm bells, because oil and gas tax revenues have been falling since 1999. The UK economy is much better able to absorb that fall. Last year, oil and gas revenues fell by more than £4 billion. Had that happened in an independent Scotland, which would be operating an estimated starting budget deficit of around 5 per cent of GDP, the consequences would have been acute. Either schools and hospitals would have had to be shut or taxes would have had to rise. However, last year that horrible dilemma did not arise. Why? Because of the economic stability that being part of the United Kingdom gives us.

Compare that with the fiscal position of an independent Scotland in 2016, when the SNP wants us to leave the UK. This month, both the independent IFS and the Treasury published detailed analyses. Those analyses conclude that an independent Scotland would face more substantial challenges than the rest of the UK. They suggest that, to continue to provide similar levels of public services over the next 20 years, we would need to increase onshore tax revenues by 13 per cent from the start of independence.

I think that people need to understand the scale of that increase. It would be equivalent to setting a 28 per cent basic rate of income tax, setting a 26 per cent standard rate of VAT and increasing the main duties on alcohol, tobacco and fuel by almost 40 per cent, or growing the economy at a rate that is by any assessment impossible. The figures do not take into account the extra borrowing that Mr Swinney announced this week, nor do they include

the set-up costs that an independent Scotland would have to pay for.

That is not talking Scotland down; it is just providing facts. If providing facts means protecting Scotland from uncertainty and unanswered questions, nobody is going to stop me giving the facts.

If the Scottish Government were saying to the people of Scotland that an independent Scotland would face financial challenges, that we would lose the safety net of the United Kingdom and that there are difficulties, but that the dream is worth the risk and it would explain how it would mitigate that risk, I would have more respect for the SNP's position. Instead, the Scottish Government is ignoring the warnings in its own leaked memo. It makes sweeping assertions, it overestimates revenues, it underestimates expenditure and it refuses to quantify other costs altogether. I do not think that that is good enough. In a debate of this magnitude, the public are entitled to a lot better than that.

I want to protect our public services in Scotland, and I want Scotland to have a vibrant, strong, stable and secure future. The partnership of the United Kingdom offers that, in striking contrast to the uncertainty that enshrouds the case for independence.

15:51

Chic Brodie (South Scotland) (SNP): I, too, welcome this afternoon's debate, but I express some amusement at the last part of the motion, which states that Scotland sharing its

"resources with its neighbours ... means that the people of Scotland enjoy the best of both worlds."

That will be the five London neighbours whose aggregate income is greater than that of the 5 million UK neighbours on low incomes. Those last lines serve to confirm that whoever wrote that—whoever believes that—lives on another planet.

We will hear a lot, and have heard a lot, about numbers this afternoon. I will indulge in some later. However, the debate is about more than that. It is about eradicating the democratic deficit that inhabits our neighbouring worlds—and planets. In my book,

"the best of both worlds"

does not include—and this applies to the UK, Mr Bibby—the bedroom tax, a welfare cap, food banks and so much more. If that is the best, I would hate to see the worst.

The motion seeks to omit the real question. The real question and the real issue is to ensure that the people of and in Scotland have full sovereignty over the matters and decisions that affect their

daily lives; that they—each and every one of them—choose what kind of society they want.

Continuing the planetary theme, I am afraid that the members of the Scottish Labour Party are a bit like Klingons: they cling on to the hope and the belief that if they stick with Starship Miliband, they will land as a UK Labour Government again one day.

Under every UK Labour Government, it has been a disaster for Scotland, from the coalition of Ramsay MacDonald to the centralising Attlee to the devaluing Wilson to the winter-of-discontent Callaghan to the illegal warmongering of Blair, and then to the banking recession of Gordon Brown. Now, Labour members want to hitch themselves to the Tory party, which Churchill once said

“is not a party but a conspiracy”.

I did not believe the Tories in 1979 or 1980, and I certainly do not believe them now.

On democracy, the message to the people of Scotland is that we should no longer accept the position that only 4.1 per cent of members of the Houses of Parliament are elected—in the House of Lords, they are unelected—and appointed by the people of Scotland. The Lib Dems should be ashamed of approving that.

Real security and the stability of our world lie in our self-determination and national sovereignty.

Let us talk numbers—here are just a few key numbers. Scotland is rich, not just in its natural assets but in the assets and skills of its people, in its trading and in its reputation abroad. Let me help Ms Lamont now, referring to the question that I posed earlier in the debate. Scotland enjoyed a trade surplus of £2.8 billion in 2013, which is equal to 1.9 per cent of GDP. The UK had a trade deficit of £26.7 billion, which is 1.6 per cent of GDP. There is a consistent pattern there.

Iain Gray: Will the member acknowledge that 70 per cent of our trade was with the rest of the United Kingdom and explain why creating any kind of barrier with our major customer would be advantageous to that trade balance?

Chic Brodie: The dream that runs through Mr Gray's head is that we are putting up barriers. No one is suggesting that we put up barriers.

It is interesting that Scotland's net trade surplus has grown by 318 per cent, if one compares the yearly average from 2007 to 2013 with the yearly average from 1998 to 2006. Notwithstanding what Ms Goldie said and the down time in the Elgin oilfield in 2012-13, Scotland's current budget balance, averaged over the past five years, has been better than the UK's. The same applies to the current fiscal balance, even allowing for the financial treatment of capital spend in 2012-13.

Scotland performs well and will do better. It is richer per head than the UK, France, Japan, Italy and the majority of independent developed countries.

The debate is not helped by some of the positions that the Westminster Government has taken, which are based on data that the Office for Budget Responsibility has produced. It is regrettable that the OBR has not taken the opportunity to engage more fully with the Scottish Government on taxation and revenue streams. If it had done so, that might have helped to destroy the view of some people that, as Alistair Darling said in 2010,

“Right from the start the Tories used the OBR not just as part of the government but as part of the Conservative Party”.

It has not helped that the OBR has confirmed that its methodologies on tax are “work-in-progress”, that is, they are not proven, and that it was

“unable to involve the Scottish Government in this stage of the process”

of making Scottish tax forecasts, for reasons of confidentiality. I wonder why.

The same can be said about the OBR's approach to oil prices and revenues. In its economic and fiscal outlook report for March 2014, the OBR said:

“Movements in oil prices and the sterling/dollar exchange rate mean that the sterling price of oil is slightly higher than we assumed in December”.

That was confirmed this week by PIRA Energy Group and the *Economist* commodity price index, as I said.

Scotland is a wealthy country, but we have a democratic deficit. The best way to secure investment in our schools, hospitals and public services, and to handle the challenges, volatilities and opportunities that face our nation, is to accept that the people of Scotland are sovereign and let them create the Scotland that they want. Only independence will deliver that.

15:57

Sarah Boyack (Lothian) (Lab): It is always a joy to follow Chic Brodie.

Devolution gives us the best of both worlds. It is the best way to ensure a future for our public services and invest in our schools and hospitals. It has also been a fantastic platform from which we in Scotland could support the expansion of our financial services and renewables, support investment in the market for our food producers and support tourism. All those sectors have grown and been strengthened under a strong Scottish Parliament that has worked in partnership with the

rest of the UK. We can do all that without the division and disruption that would come from the uncoded independence plans that the SNP would take us through.

Strong devolution is about living in an interdependent world, where no one party or institution is all-powerful, and where we have to work together for the greater good. That is why we need double devolution—[*Interruption.*]

Drew Smith: Do you no longer support the islands agenda, cabinet secretary?

The Deputy Presiding Officer: Order. Mr Smith!

Sarah Boyack: In our devolution commission we gave a commitment to support local authorities to act on housing and employability and address the areas in which our most disadvantaged communities desperately need action to tackle the market failure and problems that have come from our Tory-led Government.

It is not just about new powers. It is also about funding streams and building capacity and capability. It is about supporting our rural and island communities and giving them opportunities to do more. Stronger devolution as part of the UK is a much better future for Scotland.

Over the past seven years, the SNP could have acted on all the issues that I have mentioned, if it had wanted to do so. I think that historians will look back and question Alex Salmond's judgment in waiting for seven and a half years to have a referendum, when he could have got going at the start of his term of office. We could have tested this issue seven and a half years ago.

Within three months of the Labour Government being elected in 1997, we had a referendum and a decision and we were able to get on with exercising power, seeking opportunities to tackle social injustice and building solidarity. That is the legacy of the Blair Government and of Donald Dewar.

John Mason: Will the member give way?

Sarah Boyack: No, thank you.

The decision not to act on the bedroom tax in 2013 tells us everything that we need to know about the cynicism of the SNP. The SNP could have used the powers that it had. It could have considered how to help local authorities.

As we predicted, there was a cost to that year of inaction, which left thousands in debt for the first time in their lives and meant that councils and housing associations had to divert scarce cash out of investment programmes and away from improving their housing stock in order to support their tenants. It also left a sting in the tail that councils are now having to address. Those people

who paid their bills and the bedroom tax when they could ill afford it are now aggrieved, and councils are having to deal with that reality. The SNP could have done more.

Our local authorities do not have the luxury of playing with politics. They have to make decisions now, in the real world; they cannot put difficult decisions on hold. For example, social care challenges are increasing. On Monday, I spoke to a constituent who has worked as a care worker for 23 years but is on the verge of giving up because of the pressure and the lack of time that she is allowed to devote to the people for whom she cares. She believes that her hard work is not valued, and I think that she is right.

The work that Unison is doing to highlight the need to tackle inequality and the work that has been done with Renfrewshire Council show what we need to do instead of sticking with the sterile and cynical debate that the SNP would push us into. We need an urgent debate about how our local authorities provide improved quality services to the people who need them now. Local authorities need to expand their training and integrate their work on employability. They want to work at a local and a regional level with employers and colleges to deliver strategies that will work. That is what they need to do and we should be empowering them to do that, not telling them why they cannot do it or cutting back on the further education sector.

At our Scottish Labour councillors conference at the weekend, we had a fantastic set of discussions about the work that is being done now by councillors, even with the challenges that the SNP has put in their way. They are consulting communities, looking at the tough budget choices, shaping their services and getting on with implementing their manifesto commitments now, despite the centralising and underfunding agenda that they face. Fantastic work is being done in West Dunbartonshire, Falkirk, Glasgow and Edinburgh to make sure that our young people have real opportunities for training, but so much more can be done.

We need only look at the local government elections that have taken place over the past 18 months to see that that work is acknowledged by communities. They do not want their local authorities to be used as a political football; they want people to get on and do the work now. We can see the challenge that is being met by our Labour councillors. Looking at the number of seats that Labour has won in the past 18 months, we are currently running 13:1—Labour has won 13 seats in the past 18 months, whereas the SNP has won a single seat. Some of those by-elections were caused by SNP councillors resigning from their council, which tells a story that is not being

debated here. At the weekend, I was delighted to speak to Lesley McDonald, a South Lanarkshire councillor who was an SNP member for 30 years but who has now joined Labour, and to welcome Neil MacIntyre, the first Labour councillor ever to be elected to serve Oban South and the Isles on Argyll and Bute Council.

Something is happening at the local level. People understand that there is a need for practical commitment to social justice and solidarity. We need to do more to support that—to get off pause and press play. Let us get on to 19 September.

16:03

Dave Thompson (Skye, Lochaber and Badenoch) (SNP): Annabel Goldie said that she was giving us “facts”. That is interesting; she can obviously see into the future, if she was giving us facts in her projections and the projections of the various bodies to which she referred. She also said that the yes side is making “sweeping assertions”—implying by that, I suppose, that her “facts” were not sweeping assertions. I question the ability of any of us to know what will happen in the future. If the OBR, the IFS, the Treasury and all the rest of them are so clever and so good at forecasting the future, why did they not warn us about the recession that hit us in 2008?

In this debate, we need to look at where we are at the moment. We know the truth of the situation at the moment; we know what we have with the United Kingdom. We know that we have austerity, we know that we have come through a recession and we know that have the bedroom tax. We also know that there is more and more of that to come. Those are facts that we can be very sure of.

The Labour Party’s motion talks about Scotland being “worse off financially” if we go for independence. It basically says that we are currently, and have been for a long time, subsidy junkies. The Labour Party motion not only says that, but says that it wants us to remain subsidy junkies—were that true. I presume that Labour believes it to be true and that it is not just kidding us on. What does that say about its vision for the future?

Does Boris Johnston know that the rest of the UK subsidises every single Scottish man, woman and child by—what was it Johann Lamont said—£1,600 a year? What about the UK that is supposed to spread the load, so that the richer parts help the poorer parts? Do the people in the north of England really subsidise us in Scotland? Is the Labour Party really saying that they should continue to subsidise Scotland to the tune of £1,600 per person per year?

Dr Richard Simpson (Mid Scotland and Fife) (Lab): Will Dave Thompson take an intervention?

Dave Thompson: I will, in a minute.

The First Minister of Wales believes that the rest of the UK should not do that. He wants the Barnett formula to be changed and he wants a £4,000 million annual cut to the Scottish budget. We can see where the Labour argument is going; we can begin to look into the future and realise that Labour is not advocating a future in which Scotland is subsidised by the north of England and other poorer parts of the UK—which are, by the way, suffering because of London and the south-east. Our being subsidised would not continue, were it true that we were being subsidised. However, it is not true and Labour knows that it is not true.

Dr Simpson: I can perhaps enlighten Dave Thompson on health. The north-east of England received higher health funding than Scotland in two of the past five years, so there is a redistributive effect throughout the entire United Kingdom.

Dave Thompson: Does Dr Simpson support redistribution of the alleged £1,600 subsidy per person per year to Scotland? The ultimate aim of Labour’s assertions about the rest of the UK is that everyone should receive the same amount across the whole of the UK. That is how the budget would be balanced; that is how we would have fairness in the UK.

Dr Simpson: Will Dave Thompson take another intervention?

Dave Thompson: No, thank you. If Dr Simpson does not accept that, and is saying that he wants Scotland to remain part of the UK—so that we can get higher funding than other parts of the UK—the Labour Party’s whole argument is based on a false premise.

Scotland is a very wealthy country. We have a food and drink industry that is worth £13 billion and a financial services industry that is worth £7 billion. We have a life sciences industry that is worth £3 billion, creative industries that are worth £6 billion and business services that are worth £10 billion. We have a construction industry that is worth £17 billion, a tourism industry that is worth £9 billion, chemical sciences industries that are worth £9 billion and aerospace industries that are worth £5 billion. We have a whisky industry that is worth £4.5 billion and—oh, dear me!—on top of all that, we have an oil and gas industry that is worth £1.5 trillion. We also have 10 per cent of Europe’s wave energy potential and 25 per cent of Europe’s wind and tidal energy potential.

As I say, Scotland is a very wealthy country, but its wealth is not being spread evenly across the

country. Under the UK, the 10 per cent at the top have 900 times the wealth of the 10 per cent at the bottom. I want that to change; the Labour, Liberal and Tory members do not.

16:09

Dr Richard Simpson (Mid Scotland and Fife) (Lab): I intend to talk mainly about health, but I cannot resist making a further point about the concept of redistribution. I will give Dave Thompson another example: 40 per cent of inheritance tax is paid within the London region and it is distributed throughout the whole UK. It is a question of taking in money from areas that are wealthy. Scotland is now the fourth-wealthiest region in the UK. We have moved up from eighth to fourth under devolution. Why would we want to jeopardise that? If Dave Thompson does not understand the concept of redistribution, I do not have the time to teach him.

On health, the challenge for the yes campaign is to explain what possible advantages independence would have for patients. The union provides many advantages that independence would put at risk; over time, it would degrade our current advantage.

The NHS is fully devolved and has been since this Parliament came into being. It is based on a collaborative and co-operative approach that has been agreed by all five parties. We have the highly respected Scottish Medicines Consortium and our evidence-based Scottish intercollegiate guidelines network guidelines. We have higher numbers of consultants, higher numbers of nurses and higher numbers of beds. All that is underpinned by the fact that we receive more funds through the Barnett formula, as does the north-east of England, on the basis of need. When it was introduced, the Barnett formula was not based on need; it was expected to take us to even-stevens over the years. However, it has become something different.

Dave Thompson: Can Dr Simpson tell me which part of the UK gets less and is suffering because of the way things work—which he thinks is so great?

Dr Simpson: London gets less, because London is the wealthiest part of the UK. What does Dave Thompson not understand about the concept of redistribution?

The biggest challenge to Scotland's current pre-eminence in health that would arise from independence would come about indirectly. We have five medical schools, which is far more than we require. Students from England pay substantial tuition fees for medicine and, indeed, for all other forms of higher education. That adds to the bill that Iain Gray added up. There are a few more

figures that need to be added to that bill. If we become independent, we will lose £140 million in university fees, because we will not be able to charge students from other European Union countries those fees. Over time, the Howat report's prediction that we should halve our medical student intake would come to pass, which would mean our having two fewer medical schools. We have been able to have five medical schools because we are part of the union.

Within the UK, Scotland punches massively above its weight in medical research. We win about 14 per cent of competitive research applications—I stress the word “competitive”—which results in our getting £257 million from the UK Medical Research Council.

Fiona McLeod (Strathkelvin and Bearsden) (SNP): Will Dr Simpson take an intervention?

Dr Simpson: I am sorry, but I must make some progress.

A population-based share of that funding would be only 8.3 per cent. Even the Scottish National Party must accept that that is a fact. The £83 million that the University of Edinburgh raised from UK research councils equalled a third of its overall research income. The University of Dundee received £21 million from the Scottish Further and Higher Education Funding Council out of £121 million in research funding. If we did not receive funding from the UK research councils, we would have to make up that difference. That must be added to the bill for the fantasy land that we are being presented with.

The same applies to the funding that we receive from the other 13 research councils. We also punch well above our weight in securing funding from them—we get about 13 per cent of the funding that they offer. Under independence, we might be able to afford to provide that funding, but we would not be winning research applications in competition with institutions from the rest of the UK, which would mean that, over time, the quality of our research would be likely to degrade. I have no doubt that Scotland would eventually gain entry to the EU, but any delay in EU membership could interrupt the horizon 2020 funding as well. Therefore, for research, there would only be a downside to independence.

Of course, the nationalists will promise to match that research funding, but we do not know how they would do that. The same issue would affect the funding that we receive from the Wellcome Trust and other charities that would not, following independence, fund in the same way. If members do not believe that, they should look at what happened to Eire. When Eire became independent, it lost the funding that it had received from the MRC, and the Wellcome Trust provides

funding only of up to 50 per cent for projects in Eire, rather than for 100 per cent of them, as is the case in Scotland.

There are many other downsides. For example, we might well have to set up a whole raft of agencies and, for me, the biggest disappointment is that we have absolutely no costings for that. Would we have to set up a separate human tissue or organ donation organisation? Would we need a separate health professional council, a separate general medical council, a separate general dental council or a separate nursing and midwifery council? We are going to have to set up 277 agencies, and we have had no idea from the SNP or the yes campaign about what the costs are going to be. Earlier, someone from the SNP said that we are trying to sell a pig in a poke, but the yes campaign's pig is flying through the sky. It is utterly ridiculous.

As for why we share certain things, I want to mention one of the newest innovations: proton beam therapy.

The Deputy Presiding Officer: You are in your last 10 seconds, Dr Simpson.

Dr Simpson: The machines in question cost between £50 million and £100 million each; one will be in Manchester and the other will be in London. If we become independent, we might still get access to them, but it will certainly not be at marginal cost; it will be at full cost.

The Deputy Presiding Officer: You should be drawing to a close.

Dr Simpson: I ask the yes campaign and, indeed, any speaker this afternoon to tell me just one advantage in health terms of a separate and independent Scotland, because I have to say that I cannot see any at all.

The Deputy Presiding Officer: Thank you very much. Rob Gibson has up to six minutes.

16:16

Rob Gibson (Caithness, Sutherland and Ross) (SNP): At its heart, this debate is about how we fund top-class public services and how, according to Johann Lamont's motion, we

"ensure a high level of investment in its schools, hospitals and public services".

We also have amendments that are based on one-tax obsessions about oil and which ignore the opportunities and flexibility that will be available through the taxation policies that an independent Scotland could contemplate.

I want to return to the offer that the unionist parties made last Monday. In a *Herald* article that was headlined, "Taxing issue at heart of

devolution pro-Union parties failed to address", one of their great supporters, Ben Thomson, said:

"When people are looking for genuine vision, the pro-UK parties are in a position to offer it."

However,

"Too often in politics, compromise is a byword for agreeing on the lowest common denominator. It would be tragic if that were the case here as the lowest common denominator proposal would only give us an extra 5p on income tax with no welfare powers or permanence to the Scottish Parliament. Our country needs so much more."

It does, indeed, need "so much more", and we must highlight ideas about independence and taxation that make it clear how we can support our public services. I want to mention several such ideas.

I note that, in these days of new Labour and its followers, the Jimmy Reid Foundation has produced a document entitled "Investing in the Good Society: five questions on tax and the Common Weal", which highlights a number of measures that are carried out in a moderate way in many northern European countries. It suggests, for example, that wages should be higher, because they bring in higher taxes, and that tax evasion should be reduced. Is it easier for a small country to tackle that issue than it is for the UK? We need look only at the success of HM Revenue and Customs and ask ourselves whether we could do worse.

The Jimmy Reid Foundation paper also suggests that we should generate new taxes and income from wealth, land and property. In that respect, we should think about the current offer to devolve tax. With regard to the rural economy, which I deal with, the Scottish Affairs Committee in London has said that although we need land reform, it does not think that it can convince the UK Government that it needs to end tax evasion and stop tax havens. In fact, it argues that that is just not a possibility in the present circumstances. Labour is silent on the issues. When it talks about land reform, it is an empty coat.

The Jimmy Reid Foundation document also talks about generating greater income from Scotland's natural resources. We need look only at how our natural energy resources have been mismanaged to realise that we can get more money from them and more tax from development of those industries—money and taxes that have been denied us under the current situation. That is why changes to reserved tax powers and the many other arguments that we have heard from the pro-union parties are never going to deliver for Scotland or give us the wealth that my colleague Dave Thompson talked about.

Iain Gray: I am genuinely puzzled. The prospectus on which Rob Gibson stands, and the

Government that he supports, would reduce the taxation that major energy companies provide. How would that get us more tax from them?

Rob Gibson: Iain Gray does not read the whole story. Ireland, which has a lower corporation tax base, is taking in far more than we are in Scotland, at this particular time.

As the First Minister said in response to the arguments of the pro-union parties, with independence, we can design

“tax and economic policy to attract and maintain HQ functions to Scotland; by implementing an industrial strategy for Scotland, by working together in a social partnership to improve wages and by tailoring policy to make the most of the huge comparative advantages we have in key growth industries.”

Those are the very industries that I talked about earlier in respect of ways in which we can raise tax in an independent Scotland.

The obsession with saying “We can’t” is based on people not being prepared to look at the opportunities that independence will open up. Pitching in the Jimmy Reid Foundation’s remarks helps us in Parliament to see that there is a better way: not better together, but better with independence.

The debate shows what a long and weary journey the unionists propose. On 18 September, we can start a voyage of opportunity with a yes vote, safe in the knowledge that Scotland has a sound economy that can be made fairer only through independence.

16:21

John Mason (Glasgow Shettleston) (SNP): When I started to look at the wording of Labour’s motion, I thought that some of it was a little bit strange. Let us look at some of it.

Early on, the motion says:

“the best future for Scotland is one where its devolved public services are delivered by the Scottish Parliament”.

I presume that we all believe that devolved services should be delivered by the Scottish Parliament. The question is, which services should be devolved? I guess that there are three options: the services that we currently have should be devolved; fewer services should be devolved, with education, for example, going to Westminster, as some of the Labour people have suggested; or more powers should be devolved. If more powers should be devolved, which should they be?

The motion might have carried more weight if there had been even a suggestion about where devolution is going. I have seen billboards that have said that more powers are “guaranteed”. Exactly what kind of guarantee is that? Is it written

down somewhere? Was it in the Queen’s speech? Is that just an assertion with no substance?

It seems to me that a no vote is therefore hugely uncertain for all of us. Again, there are probably three options if there is a no vote.

First, things could carry on much as at present, because folk at Westminster are fed up thinking about Scotland.

Secondly, sense could prevail down south. People could realise that they have narrowly escaped losing Scotland and could hand over substantial new powers—for example, complete home rule powers. I do not think that Willie Rennie believes in that nowadays, although his party used to. I think that that is roughly the situation in the Isle of Man, Jersey and Guernsey, which do everything themselves, except defence and foreign affairs.

I presume that the third option is people down south saying, “Scotland has had its chance. It’s time to teach it a lesson. We will cut its budget by £4 billion”—or whatever.

All those options are possibilities, but we have no idea which would prevail. I presume that there would be a debate on that within the three UK parties—or four, if we include the UK Independence Party—and a lot might depend on the 2015 Westminster election. However, Scotland’s voting no would be a complete lottery. There is no certainty and there are no guarantees.

The example of Quebec has come up in a couple of recent independence debates that I have been at. In Quebec, there have been two no votes, and the uncertainty has gone on. At the very least, a yes vote would deliver certainty. We would all know exactly where we were and would get on with it. By contrast, after a no vote, uncertainty would continue, and that would be hugely damaging for investment and jobs.

Rhoda Grant: Will the member acknowledge at least that the people in Quebec have rejected independence and another referendum and that the Government, which was quite popular, had its vote decimated because it was threatening another referendum? The people there are saying no to a neverendum, as the people of Scotland will.

John Mason: The people of Quebec and of every other nation, province or anything have the right to make their own decisions, but my point is that if people vote no, uncertainty continues. If we want certainty, the only way to have it is with a yes vote.

Another phrase in the Labour Party’s motion talks about the UK being secure and stable. Is that an assertion or is there any evidence for that? Is there any evidence that the UK is strong and

stable? The UK is clearly neither militarily nor economically strong on the world stage any more. What country with £1.5 trillion of debt, which is increasing year by year, could be called strong or stable?

Dr Simpson: Japan.

John Mason: I think that Japan has a few problems as well, including a population problem.

The motion also talks about pooling and sharing resources. To be fair, what the motion actually says is that we are allowed “to pool and share” resources, not that that is actually happening. Are Labour members going to tell me that people in the east end of Glasgow, who in the winter have to choose between eating and heating, in some way benefit from the pooling and sharing of resources? When rich companies and individuals pay little or no tax and pay expensive advisers so that they can pay even less tax, how is that pooling or sharing resources?

Of course we should care about poorer people in Newcastle or Liverpool, or, for that matter, in Lisbon or Paris. However, how does it help a poor person in Glasgow to know that they are in the same boat as their counterpart down south? That is pooling poverty; it is not pooling resources. If we say to someone in my constituency who is in dire straits, “Yes, we could help you to have a better life, a proper minimum wage and better housing, but we need to hold you back in poverty because we can’t also help all the other poor people in England and all around the world,” how does that help anybody? Are we or are we not the Scottish Parliament? Does that not mean that we should be doing our best for the people of Scotland? Surely it does not mean that we deliberately hold back the people of Scotland because we cannot help everybody else around the world.

Iain Gray: Will the member give way?

John Mason: I am sorry, but I am in my last minute and running out of time.

It is possible to argue that the left in England might benefit from Scottish independence. Tony Benn and Tariq Ali disagreed on that point. The weekend after Tony Benn died, Tariq Ali was in Glasgow and was part of a fascinating interview on Radio Scotland, which I heard. Basically, his argument is that if Scotland becomes independent, we will have the opportunity to set an example to the rest of the UK and show how a socially just country can operate within the British Isles, which could be a beacon and an example to the rest of the UK.

I welcome the fact that we have had this debate. I am disappointed that the Labour Party wants to hold back the people of Scotland from a better

future but I am delighted to support the Government’s amendment.

The Deputy Presiding Officer: We now move to closing speeches. I find myself once again reminding members that those who have taken part in the debate should be in the chamber for the closing speeches.

16:28

Willie Rennie: We on the other side of the independence debate are often accused of being negative, despondent, running down Scotland and not believing in the ability of the Scottish people to do more. However, what we have heard in speech after speech from the SNP side of the chamber is a tirade of negativity about the United Kingdom. For example, I just heard John Mason talking about a lottery, a debt and pooling poverty. How much more negative can you get? To believe that drawing a line on the map will somehow automatically deal with the problems that he described is naivety in the extreme; I thought better of John Mason.

I like to be positive about the UK and those who have shared a platform with me will have heard me talk about the many positive reasons for Scotland staying in the UK. Actually, I am a convert to having the referendum because I think that there have been some benefits from our being able to explore the strengths and weaknesses of our nation and being able to look at things that we often take for granted.

I will give members three positive reasons for staying in the UK. The first is the shared currency: the single currency and the single market mean that we can trade right across the United Kingdom with limited barriers. Somebody who is doing business in Auchtermuchty can trade with somebody in Launceston in the south-west without limitations.

Secondly, we have an energy market that means that 30 million consumers across the UK can help us drive forward our renewable ambitions in Scotland and keep energy bills lower than they would otherwise be. We have an energy union that benefits everybody across these islands.

Thirdly, we have a research union that means that the brilliant researchers in our Scottish universities—four or five of the top 200 universities in the world are here in Scotland—get 50 per cent more funding as a result of our pooling arrangements with the research councils across the UK.

I think that those are positive reasons for staying in the UK. I know that they are positive, because the nationalists tell us that those are the things about the UK that they want to keep. The longer

this campaign goes on, the more things they discover that are good about the UK. I wish sometimes that the campaign would go on forever and then the nationalists might eventually be convinced of the absolute benefit of the UK. However, I fear that the campaign has been going on for too long already.

Mark McDonald: The fundamental problem is that Willie Rennie—and, often, his colleagues on the no side—mistakes independence for isolationism. Independence is about choosing how we enter into relationships with other countries; it is about how we co-operate with other countries on terms that suit us and them.

Willie Rennie: The impression that is created is that every other country around the world, including the rest of the UK, will automatically agree to the nationalists' every demand. The benefit of the UK means that we are locked in. We have a guarantee that the good things about the UK are guaranteed to remain. Mark McDonald's option means that those things are not guaranteed. The nationalists cannot demand of others the things that we have just now. All the great benefits of the UK would be under threat as a result of Mark McDonald's proposition.

I have to commend Mark McDonald for his work on carers—I genuinely think that he has done some great work on carers—but I am sure that he will be disappointed by the white paper's approach to welfare. I have heard him many times in the chamber condemn the UK Government for the £2.5 billion apparent cut in the welfare budget, but I have had a good look at the welfare proposals in the white paper and there is not one more penny for welfare. Not one more penny will be spent on welfare in the first year of an independent Scotland—so much for this evil UK Government imposing wickedness on Scotland. If the SNP cared that much about the issue, it would be increasing the welfare budget; it would not, in what would be the first year of independence, be keeping it exactly the same as the budget that Iain Duncan Smith is proposing.

Rob Gibson's speech was interesting because he showed an ability to face in many different ways at once. He talked about achieving the Scandinavian model of services on American tax levels. That is the kind of speech that he made. He went on to praise the Irish corporation tax levels. If he had his way, corporation tax would be not just cut by 3p, but halved. I find that bizarre. I am not quite sure what the Jimmy Reid Foundation would make of it, because I am sure that it does not endorse cutting corporation tax in half, as Ireland has done. I look forward to the next meeting of the Jimmy Reid Foundation and seeing what it has to say about Rob Gibson's ideal of a socialist Scotland.

Joan McAlpine's speech was also interesting. She talked about Samuel Johnson and said that all we need is belief. If we could solve all the problems in the world with belief, we would be in a much better place, but the world is a little bit more complex than that. Of course we have to be optimistic and to believe that we can change things, but we have to look at the reality. The one thing that is depressing about the SNP's offer on independence is that it is refusing point blank to set out what the first few years of independence would be like. We do not have any idea about the set-up costs for independence. In fact, the SNP is refusing to give any answers, saying that it is too difficult to answer the question.

The Presiding Officer (Tricia Marwick): You need to bring your remarks to a close, Mr Rennie.

Willie Rennie: It is able to answer every single other question on the up side, but it will never answer any difficult question.

16:34

Gavin Brown: I will return to the Scottish Government's finance paper, which was published just a few short weeks ago. In referring to it in her opening speech, the Deputy First Minister said that the SNP would grow the economy in an independent Scotland and that it has set out policies in the finance paper to show how it would grow the economy. The paper does nothing of the sort. It and the Scottish Government's press release claim that we would get an extra £5 billion a year in revenues by 2029-30, with £2.4 billion from increasing productivity by 2.5 per cent every single year instead of by 2.2 per cent. That does not say how the economy will be grown. All that that says is that if productivity is increased by 2.5 per cent every year between now and 2029, we would anticipate to get £2.4 billion extra a year. The white paper does not demonstrate at all how we might do that.

The Scottish Government says that we would get an extra £1.3 billion per year by increasing the employment rate by 3.3 per cent, but it does not demonstrate how it would increase the employment rate by 3.3 per cent. It simply states that if it achieved that increase we would get an extra £1.3 billion.

The same could be said about the Scottish Government's comments on immigration. It does not explain how it will increase immigration; it simply says that if we had higher immigration, we would get an extra £1.5 billion a year.

It adds those numbers together to get a nice £5 billion figure, but it does not explain how it will do those things; it simply says that if those things happened, we might get an extra £5 billion a year by 2029-30. It is about time that the Scottish

Government explained how it intends to do those things. Does it have any ideas or suggestions about how it will do them, or are we relying, once again, on pure assertion?

Willie Rennie talked in his closing speech about set-up and transition costings, which are important, too, as they are something else that the Scottish Government has shied away from on more than one occasion. An entire chapter in the white paper—pages 337 to 351—is dedicated to transition, but it does not have a single costing about how that might be done or the actual costs of setting up various bodies and departments. The official written position of the Scottish Government, as per the white paper, is left blank.

Are we to assume that the set-up and transition costs would be nil? The cabinet secretary says that it would be too difficult to tell us what transition costs would be and the First Minister, in a statement to the press, said that £250 million sounds about right. I do not know which one is the official Scottish Government position, but the amount certainly will not be £250 million.

There is a duty and obligation on the Scottish Government to do its best to let us know its best estimate of what set-up and transition costs would be. The reason that £250 million simply is not credible is as follows. Page 146 of the draft budget for 2014-15 has a budget line for implementation of the Scotland Act 2012, which the Scottish Government and the SNP say is a marginal act that does very little to give Scotland greater powers. Over the course of three years, the implementation of what they describe as a marginal act will cost £53.5 million, according to the Scottish Government's own figures. According to Audit Scotland, which took its figures from the Scottish Government's financial memorandum, the set-up cost of Police Scotland, which has turned eight police bodies into one, will be £147 million between 2011-12 and 2014-15. Between the setting up of Police Scotland and the implementation of the Scotland Act 2012, we are at the best part of £200 million. That is why it is simply not credible to suggest that the set-up costs for an entire country would be in the region of £250 million.

That is why we deserve answers from the Scottish Government on this critical question. John Swinney, in his leaked paper, said clearly:

"Undoubtedly there will be a cost associated with setting up and running the necessary institutions and in some cases these are likely to be significant ... Work is currently underway in Finance ... to build a comprehensive overview of the Institutions, costs and staff numbers which I will draw together and provide an update to Cabinet on in June."

If that was the right thing to do two years ago, I ask the Scottish Government why it is not the right

thing to do now. Why are we not being given transition costs?

In closing, I reiterate what we said at the very start of the debate. We call on the Scottish Government to republish its financial paper with a cautious central estimate for oil, not just the optimistic estimate. We ask again that the Scottish Government publishes transition and set-up costs.

16:40

The Cabinet Secretary for Finance, Employment and Sustainable Growth (John Swinney): Mr Rennie made a strange remark for somebody who is supposed to be an advocate of devolution and, as he would have it in today's debate, an advocate of further devolution or double devolution, as Sarah Boyack characterised it. I look forward to finding out what double devolution happens to be.

Mr Rennie said that the Government's position is in essence that we think that we can draw a line on a map and our problems will be sorted. If Mr Rennie takes that view and thinks that that is not how our policies should proceed, why on earth is this Parliament here? Why do we have responsibility for health? Because the line has been drawn on the map and we have control, we are able to do things differently on health in Scotland, and I do not think that any of us in this Parliament disagrees that we should be doing things differently on health. None of us would want to go down the healthcare policy route that the UK Government is embarking on.

Willie Rennie: The difficulty for Mr Swinney is that he is saying that by separating off and not pooling our resources any more, we will suddenly be able to solve all the problems that his colleagues have highlighted today. I believe that local decisions are good decisions, but partnership is also a good thing. He seems to ignore that.

John Swinney: Annabel Goldie's applause shows where that was roundly endorsed.

That brings me on to the next issue that I want to raise, which is the bedroom tax. A line has been drawn on the map and we have addressed the implications of the bedroom tax in Scotland. Mr Rennie even voted for the budget to support that. *[Interruption.]* If Ms Marra wants to make an intervention rather than mutter, we will have an intervention. If she is just muttering, we will leave her to mutter in the corner.

Back to Mr Rennie, who voted for the budget on the basis that we had tackled a number of issues, one of which was the bedroom tax. That was also supported by my muttering colleagues in the Labour Party into the bargain.

Iain Gray: Will Mr Swinney take an intervention?

John Swinney: I will develop my point first. That says to me that there is a different policy position and attitude here in Scotland and that we want to resolve problems in this Parliament and take a different direction from the rest of the United Kingdom. We should be able to do that on all the issues that concern us as a Parliament. We are able to do it with health. We were eventually able to find the money and, through successful negotiation on the part of the Deputy First Minister, get there on the bedroom tax. Why should we not be able to do that on a whole range of other issues?

Iain Gray: On the face of it, I agree with much of what Mr Swinney is saying in that we did support his budget on the basis of the action that we agreed that he would take against the bedroom tax. However, I cannot miss this opportunity to ask him why we are now three months past the point at which he agreed that he would have dealt with the bedroom tax, made the money available to local government and made sure that no one was paying the tax, yet he still has not put the system in place.

John Swinney: As usual, Mr Gray walks into the brick wall that I put in front of him. The reason why we cannot put all the provisions through the Parliament is that we are waiting for Westminster to allow us to do so. That is the nub of the problem, Mr Gray.

Iain Gray: Will Mr Swinney give way?

John Swinney: Of course, if Mr Gray wants to slap into another brick wall; here we go.

Iain Gray: I sat in Mr Swinney's office and we agreed an alternative way in which the outcome that we both want could be achieved. If he prefers the constitutional grievance to helping poor tenants who are suffering under the bedroom tax, that is his choice.

John Swinney: There is not a single local authority in the country that is limited in its ability to tackle the bedroom tax today. A legislative process has to be completed and we are dependent on Westminster for that. I assured Mr Gray that we would abolish the bedroom tax in Scotland by a route that is reliable and dependable, and that is precisely what this Government is going to do.

That brings me to one of the points that Joan McAlpine raised when she questioned the notion that has been running through this debate about the offer of security and stability in the United Kingdom. It is a similar issue to that of the bedroom tax because, on the information that is available to the Government now through the

publications of the Child Poverty Action Group, it is estimated that, as a consequence of UK welfare reform, the number of children in poverty in Scotland will increase by 100,000, undoing what has been achieved over a number of years to remove children from poverty. According to the better together argument, we should just shrug our shoulders and say, "Well, that's the price of the union." That is what we get for having those issues determined by Westminster.

For me, the argument is about whether we are prepared simply to sit in this Parliament and debate these issues or whether we are going to acquire the powers to do something about them. To borrow a phrase from Rob Gibson's speech, we need to tackle the obsession with what we cannot do, which is the obsession of the UK parties in this debate. Scotland is capable of resolving these issues and determining a better future.

Iain Gray and Gavin Brown have set out arguments about the papers that we have produced and have said that we have not evidenced what measures we would take to try to improve economic performance. I will set out a few of them. We have set out that we would use the tax powers that come with independence to support innovation and encourage and incentivise tax credits for research and development in order to ensure that we can create higher-value employment and economic opportunities in Scotland. We have said that we would provide more effective capital allowances to encourage investment in manufacturing companies where there is a lack of activity in the UK perspective. We have set out the approach that we would take on encouraging new export initiatives to support small companies to get active in the international markets. We have set out our proposals for the reintroduction of post-study work visas to encourage trained people from around the world to live here in Scotland.

Of course, all those measures fit into the projections that we set out as a Government about the improved economic opportunity that would come about.

Gavin Brown: Why has the cabinet secretary set out only one oil scenario, on which his entire financial paper rests?

John Swinney: I do not know what papers Mr Brown is reading, but there are six oil scenarios on page 13 of the oil and gas bulletin, which I have in front of me. Can Mr Brown not read and get up to the level of elementary contributions to the parliamentary debate?

On the point that I was making to Mr Gray and Mr Brown about economic improvements, a 3.3 per cent increase in Scotland's employment rate

could boost Scottish tax receipts by £1.3 billion. In the period from January to March 2014, we increased Scotland's employment rate by 3.5 percentage points, compared to that period four years previously.

Mr Gray was poking fun at us about population numbers. The 10-year average increase in net migration into Scotland is 22,000. The Government's projections are based on 24,000. That is a modest enhancement of the existing net migration into Scotland. Is Mr Gray not following the debate in that respect?

Richard Simpson said that my colleagues had not set out any advantages for health that would arise as a consequence of independence. I will give him one clear example. If a UK Government decides to continue to slash public expenditure—well, it is not a question of if it decides to do so, because the Labour Party, the Conservatives and the Liberals are all signed up to austerity to slash public expenditure in the UK. What will that do? As a consequence of the Barnett formula, it will reduce the block grant in Scotland and put further pressure on health and education. That is the price of staying in the United Kingdom.

We need to get out of austerity and we need to use the resources of Scotland for the maximum benefit of the people of our country.

16:49

Drew Smith (Glasgow) (Lab): This has been a warm afternoon, and some contributions have certainly benefited from the heat.

Both before and since I came here in 2011, I have often reflected on the question that will finally be answered by the Scottish people in September. One of the most fascinating things that I have found is the need that is felt by those who support independence to explain to themselves and particularly to those of us who are saying no thanks why we hold the view that we do.

As Nicola Sturgeon set out in her opening speech—she repeated the same old lines—the nationalists tell us that it must be because we do not understand the issues and have not thought enough about independence. It must be because anyone who believes in the UK must be a Tory, because someone else in London has told them to do so or simply because we are all too feart. I am sorry to disappoint, but none of that is the truth.

In any debate, it is useful to examine the other side's arguments and try to understand why people disagree with us rather than to caricature their position or abuse them for holding it. I do not think that we will ever have a better example of caricaturing others' positions than the speech from Chic Brodie. It said that nationalists want Scotland

to be a normal country and that that means that we must be independent. However, Scotland is already a normal country and can choose to continue to be a normal country that works together with its closest neighbours.

Neither side of the campaign has a monopoly on normal people who support its view. Mothers and carers who support the union over independence are normal and, indeed, all the polls tell us that they are the majority.

I oppose independence fundamentally because I do not believe that it will be in the best interests of Scotland, the rest of the UK or, specifically, the people whom I am in politics to try to represent. I suspect that many people who take the opposite view from mine do so for identical reasons. They have the same motivation but reach the opposite conclusion. That is where the political debate should be.

The case that Labour has put before the Parliament and the issues that are highlighted in Johann Lamont's motion take us to the fundamentals: whether ordinary people will be better or worse off. That should not be based solely on an economic analysis, but it is the territory where politicians most usefully assist the public who, after all, will be the decision makers in the matter.

The debate needs to be returned to the issues of substance rather than simply a case of imagining answers to questions that were never asked, building up straw men, as Mark McDonald did, using slogans and making promises without price tags.

There are real and serious questions that those who promote independence have completely failed to answer, most notably on the currency, but also on Europe, public finances and jobs. Annabel Goldie made the point that asking those questions is not negative and denying that they are important or asserting that definitive answers have already been given when they have not is just not helpful.

When the questions are denied or diverted, it leads the rest of us to the conclusion that, for some, independence is desirable whether or not it makes Scotland a better place. It suggests that many of the things that are advanced as reasons for independence are not actually reasons at all. Instead, independence is the reason for the policies that the Government promotes.

I understand that nationalism might not be the starting point of everyone who supports a yes vote, but I suspect that it is still a major driver for many in the SNP. Scotland free no matter what and no matter the cost is a view that I find fundamentally unattractive.

That leads me to the worry that, when it comes to the detail, too many of the policies are not properly worked out and to the concern that some on the yes side will say anything to get over the line in September.

We have seen more of that this afternoon. The Trident funding pledge prize that has become a part of every one of these debates must go today to George Adam, who told us that what was apparently announced as a self-funding childcare policy is now to be funded by cutting Trident.

I will turn to some of the other issues that have been raised. Members such as Kezia Dugdale, Richard Simpson and Sarah Boyack set out their concerns about public services should Scotland decide to end devolution and the basis on which we pool and share our resources across the whole United Kingdom.

Labour members have argued that Scotland can enjoy the best of both worlds, with a strong Scottish Parliament focused on the defence and improvement of our public services while being backed up by the strength and security of being part of a partnership with England, Wales and Northern Ireland.

Mark McDonald: Drew Smith accuses others of empty slogans but has just trotted out “best of both worlds” and “pooling and sharing resources”. Exactly which worlds do the people in Scotland who live in poverty and are at the sharp end of welfare reform have the best of both of?

Drew Smith: No one denies that slogans can be helpful in politics. The problem is when somebody’s politics are only a slogan.

The evidence that we have heard from many of the experts who have looked at Scotland’s public finances tells us two things. First, an independent Scotland would begin from a worse financial position than the rest of the UK, and secondly, if our existing public services are to be maintained—never mind the many promises that have been made on how much better everything else will be—we will either need to make cuts or raise taxes, or both.

The IFS has stated:

“Our calculations suggest that an independent Scotland could expect to be running a deficit of around 5% of GDP in 2016/17, which would be larger than that facing the UK as a whole, and would necessitate tax rises or spending cuts.”

The CPPR has said:

“There will be a net fiscal loss under independence, looking into the future.”

Citigroup has stated:

“with the recent drop in oil revenues, Scotland’s fiscal deficit is now significantly above UK levels.”

The Pensions Policy Institute has said that a future Scottish Government would need to raise tax, cut spending or accept higher borrowing.

Johann Lamont was right to say that there is an arithmetic and credibility gap: first, between the Scottish Government’s claims about the public finances in an independent Scotland and most of the other independent assessments, and secondly, between the promises that are made that would entail more spending and the money that is to be raised to pay for them. There are no credible costings for a radical expansion of welfare benefits or childcare, and—allegedly—no work has been done at all on calculating the expense of setting up the institutions of a new country.

At the same time, the Government has pledged that there will be no rises in personal taxation and that there will be cuts in corporation tax. On the latter policy, the Scottish Government’s own much-admired Professor Stiglitz has said:

“Some of you have been told that lowering tax rates on corporations will lead to more investment. The fact is that’s not true. It is just a gift to the corporations increasing inequality in our society.”

I would prefer to hear a lecture on redistribution from Joseph Stiglitz, rather than the one by Dave Thompson that we heard earlier.

Today, Labour has sought to debate the risks to our public services that we believe exist because of the Government’s failure to present a case for independence that adds up. The experts are saying that our fiscal position will be worse because of independence and that taxes will have to go up or services will need to be cut.

We know that there will be set-up costs associated with independence and that there are costs associated with the policy promises that the Scottish Government is still making, and yet we are told that everything will be better, that more money will be spent and that we will pay for it by cutting taxes for big business.

It is difficult to believe what the SNP is saying. Since its line appears to be, “Say anything”, it is easy to deduce that SNP members do not believe it themselves. If we take them at their word, the only commonsense conclusion is that the costs will have to be paid elsewhere: in schools, hospitals or other public services.

Following the most recent downgrading of oil revenue estimates, the independent experts are predicting a bigger fiscal gap in the first year of independence. I have heard nothing this afternoon that explains why all those independent experts are maliciously making those estimates. It is extraordinary.

There are many points to be debated with regard to the pros and cons of independence, and

there are a variety of interesting legal arguments to pore over. There are those, such as Joan McAlpine, who will be fascinated and excited by the business of drafting a constitution, and those who are already with the Scottish Government who passionately believe that Scotland should be free, no matter what and no matter what the costs are. However, there are many more who are looking for a real debate about what independence would mean for them, their families, their jobs, their local hospital and the school that their child attends.

As Parliament approaches its summer recess, Labour will continue to seek to convince others of our view that Scotland is better off in the UK, working with others and pooling and sharing our resources. We will put the positive case for partnership and argue that we can have the best of both worlds. We will do so for simple reasons that can be understood even by those who disagree with us.

We do not need to spend time worrying about how to put a currency union back together when we have one at present, or about how to get back into the EU when we have the most preferential terms of membership already. We do not need to worry about asking the Bank of England to be our lender of last resort when taxpayers throughout the UK have already stood behind the Scottish banks.

We do not need to agonise over how to create a new social union when we can already stand with other progressive people in London, Belfast and Cardiff and argue for the real political changes that we want to see in Scotland and in Britain. As Iain Gray spelled out, we do not need to put at risk our public services on a prospectus that simply does not add up.

We can do something better than that. We can decide for ourselves to work together with others rather than to break free of them. We can self-determine to be willing partners in a union. If that union has faults, we have helped to make them, but if it can be made better, we can resolve to do that.

It is for those reasons that Scottish Labour is urging Scotland to vote no in September. I urge Parliament to support the motion in the name of Johann Lamont.

Business Motion

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of business motion S4M-10355, in the name of Joe FitzPatrick, on behalf of the Parliamentary Bureau, setting out a business programme.

Motion moved,

That the Parliament agrees the following programme of business—

Tuesday 24 June 2014

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motion

followed by Topical Questions (if selected)

followed by Ministerial Statement: Developing Scotland's Young Workforce

followed by Scottish Government Debate: Support for Armed Forces and Veteran Communities in Scotland

followed by Bureau Motions

followed by Parliamentary Business Motion

5.00 pm Decision Time

followed by Members' Business

Wednesday 25 June 2014

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Education and Lifelong Learning

followed by Stage 3 Proceedings: Housing (Scotland) Bill

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 26 June 2014

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

followed by Members' Business

2.30 pm Parliamentary Bureau Motions

2.30 pm Ministerial Statement: Provisional Outturn 2013-14

followed by Final Stage Proceedings: City of Edinburgh Council (Portobello Park) Bill

followed by Scottish Government Debate: Partnership Action Continuing Employment (PACE)

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

Tuesday 5 August 2014

2.00 pm Time for Reflection

followed by Parliamentary Bureau Motions

followed by Topical Questions (if selected)

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Wednesday 6 August 2014

2.00 pm Parliamentary Bureau Motions

2.00 pm Portfolio Questions
Training, Youth and Women's
Employment;
Commonwealth Games, Sports,
Equalities and Pensioners' Rights

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time

followed by Members' Business

Thursday 7 August 2014

11.40 am Parliamentary Bureau Motions

11.40 am General Questions

12.00 pm First Minister's Questions

followed by Members' Business

2.30 pm Parliamentary Bureau Motions

followed by Scottish Government Business

followed by Business Motions

followed by Parliamentary Bureau Motions

5.00 pm Decision Time—[*Joe FitzPatrick.*]

Motion agreed to.

Parliamentary Bureau Motions

17:00

The Presiding Officer (Tricia Marwick): The next item of business is consideration of two Parliamentary Bureau motions. I ask Joe FitzPatrick to move motions S4M-10357 and S4M-10358, on the designation of lead committees.

Motions moved,

That the Parliament agrees that the Local Government and Regeneration Committee be designated as the lead committee in consideration of the Community Empowerment (Scotland) Bill at stage 1.

That the Parliament agrees that the Welfare Reform Committee be designated as the lead committee in consideration of the Welfare Funds (Scotland) Bill at stage 1.—[*Joe FitzPatrick.*]

The Presiding Officer: The question on the motions will be put at decision time.

Decision Time

17:01

The Presiding Officer (Tricia Marwick): There are six questions to be put as a result of today's business.

I remind members that, in relation to this afternoon's debate, if the amendment in the name of Nicola Sturgeon is agreed to, the amendment in the name of Willie Rennie falls.

The first question is, that amendment S4M-10353.3, in the name of Nicola Sturgeon, which seeks to amend motion S4M-10353, in the name of Johann Lamont, on Scotland's future, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)

McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)

Rowley, Alex (Cowdenbeath) (Lab)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 67, Against 53, Abstentions 0.

Amendment agreed to.

The Presiding Officer: The amendment in the name of Willie Rennie therefore falls.

The next question is, that amendment S4M-10353.2, in the name of Gavin Brown, which seeks to amend motion S4M-10353, in the name of Johann Lamont, on Scotland's future, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)

Rennie, Willie (Mid Scotland and Fife) (LD)
 Rowley, Alex (Cowdenbeath) (Lab)
 Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

Against

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 Maxwell, Stewart (West Scotland) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (Aberdeen Donside) (SNP)
 McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)

Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

The Presiding Officer: The result of the division is: For 53, Against 67, Abstentions 0.

Amendment disagreed to.

The Presiding Officer: The next question is, that motion S4M-10353, in the name of Johann Lamont, on Scotland's future, as amended, be agreed to. Are we agreed?

Members: No.

The Presiding Officer: There will be a division.

For

Adam, George (Paisley) (SNP)
 Adamson, Clare (Central Scotland) (SNP)
 Allan, Dr Alasdair (Na h-Eileanan an Iar) (SNP)
 Allard, Christian (North East Scotland) (SNP)
 Beattie, Colin (Midlothian North and Musselburgh) (SNP)
 Biagi, Marco (Edinburgh Central) (SNP)
 Brodie, Chic (South Scotland) (SNP)
 Brown, Keith (Clackmannanshire and Dunblane) (SNP)
 Burgess, Margaret (Cunninghame South) (SNP)
 Campbell, Aileen (Clydesdale) (SNP)
 Campbell, Roderick (North East Fife) (SNP)
 Coffey, Willie (Kilmarnock and Irvine Valley) (SNP)
 Crawford, Bruce (Stirling) (SNP)
 Cunningham, Roseanna (Perthshire South and Kinross-shire) (SNP)
 Dey, Graeme (Angus South) (SNP)
 Don, Nigel (Angus North and Mearns) (SNP)
 Doris, Bob (Glasgow) (SNP)
 Dornan, James (Glasgow Cathcart) (SNP)
 Eadie, Jim (Edinburgh Southern) (SNP)
 Ewing, Annabelle (Mid Scotland and Fife) (SNP)
 Ewing, Fergus (Inverness and Nairn) (SNP)
 Fabiani, Linda (East Kilbride) (SNP)
 Finnie, John (Highlands and Islands) (Ind)
 FitzPatrick, Joe (Dundee City West) (SNP)
 Gibson, Kenneth (Cunninghame North) (SNP)
 Gibson, Rob (Caithness, Sutherland and Ross) (SNP)
 Grahame, Christine (Midlothian South, Tweeddale and Lauderdale) (SNP)
 Harvie, Patrick (Glasgow) (Green)
 Hepburn, Jamie (Cumbernauld and Kilsyth) (SNP)
 Hyslop, Fiona (Linlithgow) (SNP)
 Ingram, Adam (Carrick, Cumnock and Doon Valley) (SNP)
 Johnstone, Alison (Lothian) (Green)
 Keir, Colin (Edinburgh Western) (SNP)
 Kidd, Bill (Glasgow Anniesland) (SNP)
 Lochhead, Richard (Moray) (SNP)
 Lyle, Richard (Central Scotland) (SNP)
 MacAskill, Kenny (Edinburgh Eastern) (SNP)
 MacDonald, Angus (Falkirk East) (SNP)
 MacDonald, Gordon (Edinburgh Pentlands) (SNP)
 Mackay, Derek (Renfrewshire North and West) (SNP)
 MacKenzie, Mike (Highlands and Islands) (SNP)
 Mason, John (Glasgow Shettleston) (SNP)
 Matheson, Michael (Falkirk West) (SNP)
 McAlpine, Joan (South Scotland) (SNP)
 McDonald, Mark (Aberdeen Donside) (SNP)

McKelvie, Christina (Hamilton, Larkhall and Stonehouse) (SNP)
 McLeod, Aileen (South Scotland) (SNP)
 McLeod, Fiona (Strathkelvin and Bearsden) (SNP)
 McMillan, Stuart (West Scotland) (SNP)
 Neil, Alex (Airdrie and Shotts) (SNP)
 Paterson, Gil (Clydebank and Milngavie) (SNP)
 Robertson, Dennis (Aberdeenshire West) (SNP)
 Russell, Michael (Argyll and Bute) (SNP)
 Salmond, Alex (Aberdeenshire East) (SNP)
 Stevenson, Stewart (Banffshire and Buchan Coast) (SNP)
 Stewart, Kevin (Aberdeen Central) (SNP)
 Sturgeon, Nicola (Glasgow Southside) (SNP)
 Swinney, John (Perthshire North) (SNP)
 Thompson, Dave (Skye, Lochaber and Badenoch) (SNP)
 Torrance, David (Kirkcaldy) (SNP)
 Urquhart, Jean (Highlands and Islands) (Ind)
 Watt, Maureen (Aberdeen South and North Kincardine) (SNP)
 Wheelhouse, Paul (South Scotland) (SNP)
 White, Sandra (Glasgow Kelvin) (SNP)
 Wilson, John (Central Scotland) (SNP)
 Yousaf, Humza (Glasgow) (SNP)

Against

Baillie, Jackie (Dumbarton) (Lab)
 Baker, Claire (Mid Scotland and Fife) (Lab)
 Baker, Richard (North East Scotland) (Lab)
 Baxter, Jayne (Mid Scotland and Fife) (Lab)
 Beamish, Claudia (South Scotland) (Lab)
 Bibby, Neil (West Scotland) (Lab)
 Boyack, Sarah (Lothian) (Lab)
 Brown, Gavin (Lothian) (Con)
 Buchanan, Cameron (Lothian) (Con)
 Carlaw, Jackson (West Scotland) (Con)
 Chisholm, Malcolm (Edinburgh Northern and Leith) (Lab)
 Davidson, Ruth (Glasgow) (Con)
 Dugdale, Kezia (Lothian) (Lab)
 Fee, Mary (West Scotland) (Lab)
 Ferguson, Patricia (Glasgow Maryhill and Springburn) (Lab)
 Fergusson, Alex (Galloway and West Dumfries) (Con)
 Fraser, Murdo (Mid Scotland and Fife) (Con)
 Goldie, Annabel (West Scotland) (Con)
 Grant, Rhoda (Highlands and Islands) (Lab)
 Gray, Iain (East Lothian) (Lab)
 Griffin, Mark (Central Scotland) (Lab)
 Henry, Hugh (Renfrewshire South) (Lab)
 Hilton, Cara (Dunfermline) (Lab)
 Hume, Jim (South Scotland) (LD)
 Johnstone, Alex (North East Scotland) (Con)
 Kelly, James (Rutherglen) (Lab)
 Lamont, Johann (Glasgow Pollok) (Lab)
 Macdonald, Lewis (North East Scotland) (Lab)
 Macintosh, Ken (Eastwood) (Lab)
 Marra, Jenny (North East Scotland) (Lab)
 Martin, Paul (Glasgow Provan) (Lab)
 Maxwell, Stewart (West Scotland) (SNP)
 McArthur, Liam (Orkney Islands) (LD)
 McCulloch, Margaret (Central Scotland) (Lab)
 McDougall, Margaret (West Scotland) (Lab)
 McGrigor, Jamie (Highlands and Islands) (Con)
 McInnes, Alison (North East Scotland) (LD)
 McMahon, Michael (Uddingston and Bellshill) (Lab)
 McMahon, Siobhan (Central Scotland) (Lab)
 McNeil, Duncan (Greenock and Inverclyde) (Lab)
 McTaggart, Anne (Glasgow) (Lab)
 Mitchell, Margaret (Central Scotland) (Con)
 Murray, Elaine (Dumfriesshire) (Lab)
 Pearson, Graeme (South Scotland) (Lab)
 Pentland, John (Motherwell and Wishaw) (Lab)
 Rennie, Willie (Mid Scotland and Fife) (LD)
 Rowley, Alex (Cowdenbeath) (Lab)

Scanlon, Mary (Highlands and Islands) (Con)
 Scott, John (Ayr) (Con)
 Scott, Tavish (Shetland Islands) (LD)
 Simpson, Dr Richard (Mid Scotland and Fife) (Lab)
 Smith, Drew (Glasgow) (Lab)
 Smith, Liz (Mid Scotland and Fife) (Con)
 Stewart, David (Highlands and Islands) (Lab)

The Presiding Officer: The result of the division is: For 66, Against 54, Abstentions 0.

Motion, as amended, agreed to,

That the Parliament notes that its record of delivery under devolution demonstrates that decisions about Scotland are best taken by the people who live and work in Scotland; welcomes the Scottish Government's recently published proposals to use the powers of an independent country to reindustrialise Scotland, to improve Scotland's economic growth and strengthen public finances; further welcomes the publication of the proposals of the Expert Working Group on Welfare to create a fair, simple and personal welfare system in an independent Scotland; notes that the joint statement from the Scottish Labour, Scottish Conservative and Scottish Liberal Democrat parties contains no commitment to specific further powers and that any further devolution would require the agreement of the UK Government and the UK Parliament, whatever the views of the people of Scotland, in contrast to the proposed interim constitution, which would ensure that sovereignty is held by the people of Scotland, and believes that only independence guarantees Scotland the powers to create a democratic, prosperous and fairer country.

The Presiding Officer: The next question is, that motion S4M-10357, in the name of Joe FitzPatrick, on the designation of a lead committee, be agreed to.

Motion agreed to,

That the Parliament agrees that the Local Government and Regeneration Committee be designated as the lead committee in consideration of the Community Empowerment (Scotland) Bill at stage 1.

The Presiding Officer: The final question is, that motion S4M-10358, in the name of Joe FitzPatrick, also on the designation of a lead committee, be agreed to.

Motion agreed to,

That the Parliament agrees that the Welfare Reform Committee be designated as the lead committee in consideration of the Welfare Funds (Scotland) Bill at stage 1.

Rana Plaza Disaster (First Anniversary)

The Deputy Presiding Officer (John Scott):

The final item of business today is a members' business debate on motion S4M-09759, in the name of Sarah Boyack, on the first anniversary of the Rana Plaza disaster.

Motion debated,

That the Parliament notes that 24 April 2014 marks the first anniversary of the tragic Rana Plaza disaster, in which an eight storey commercial building collapsed in Savar, near Dhaka in Bangladesh; understands that the victims and their loved ones have yet to be fully compensated for the preventable disaster, which claimed the lives of over 1,000 workers; welcomes the launch, on 24 March 2014, of the Rana Plaza Arrangement compensation process, negotiated under the auspices of the International Labour Organization by employers and unions in Bangladesh and globally and by the government of Bangladesh; notes calls for companies operating across the Lothian region, Scotland and the UK, especially companies that sold clothing that was produced at the Rana Plaza, to make sufficient contributions to ensure that a target of £24 million is reached by the 24 April 2014; considers that no worker's life should be put at risk due to a lack of appropriate safety measures and that the first year anniversary is a day to remember those who tragically died and serves as a reminder of the importance of health and safety at work, including rigorous protection of workers' rights for all, and notes that 28 April 2014 marks Workers' Memorial Day, which exists to remember the dead, fight for the living and ensure that lessons are learned from tragedies and that disasters are not repeated.

17:06

Sarah Boyack (Lothian) (Lab): First, I thank colleagues for their support, which has enabled me to secure the motion for debate. There are constituents of mine who were very interested in the fact that we would be debating the issue this evening.

It is important that we raise awareness of what needs to be done to tackle the conditions that led to 1,129 Bangladeshi garment workers losing their lives, and to 2,500 people being injured in the Rana Plaza building collapse.

The twenty-fourth of April was the first anniversary of this tragic disaster, in which an eight-storey building collapsed in Savar, near Dhaka in Bangladesh. I will use my speech this evening to highlight what happened, why we should be concerned, what happened after the disaster, what wider lessons need to be learned and what action still needs to be taken.

The building that collapsed was not fit for purpose. It was not built to house the weight of machinery that was in it. There had already been a warning about safety, which had gone unheeded. The workers were paid a pittance for their work, as is the case in many factories in Bangladesh where

garments are produced. We should be concerned, because some of those garments find their way into chains that are present in Scotland and the rest of the United Kingdom.

I highlight the two key initiatives that took place in Bangladesh after the incident. First, there was the accord that was signed by the Bangladesh Government, the key industries, the trade unions and non-governmental organisations. In the immediate aftermath of the event, it was estimated that 90 per cent of buildings in Bangladesh did not meet the local building codes, never mind international building standards. In a country that is prone to earthquakes, that is a major challenge for the Bangladeshi Government and local government in the country to address. The "Accord on Fire and Building Safety in Bangladesh" has been a big step forward. Oxfam records that more than 1,500 factories in Bangladesh will now be inspected. We must regard that as key progress.

Much more needs to be done on the other major initiative that brought together the Government, the industry, trade unions and NGOs. Although the Rana Plaza agreement has been strongly welcomed by people, it has led to a challenge. Although some companies have made donations and some people have been compensated for their loss or for the health implications—in cases of people who needed support afterwards and in cases of people whose capacity to work was removed—there is simply nowhere near enough in the fund to enable the second set of compensation agreements to be debated and to be handed out to the thousands of people whose lives were ruined by the experience and the distress that came with it.

Donor organisations include well-known names such as Gap, Asda and Debenhams, and some companies that have paid into the fund were not connected to the Rana Plaza disaster, but some of the biggest retail companies, whose names are known to us all, have not contributed and campaigns have sprung up to highlight that. Only 40 per cent of the target has been reached, and many companies have yet to make a significant contribution or indeed any contribution.

Although no Scottish companies sourced clothes from the Rana Plaza, Alison Johnstone, who is not in the chamber this evening, lodged a motion that referred to Edinburgh Woollen Mill, which sourced clothes from the Tazreen Fashions factory, where more than 100 people died in another incident. The motion suggested that more needs to be done to establish accountability and contributions in relation to that incident. Scottish Education and Action for Development, which supports that call, also wants chains of responsibility to be established for companies that

are sourcing garments for the Commonwealth games. The charity particularly wants the minister to respond to that call.

There are issues to do with compensation and building safety. We should also ask questions about the pay and terms and conditions of Bangladeshi workers who produce garments that developed nations import. In future, the day on which the Rana Plaza disaster took place will be commemorated as fashion revolution day. The campaign aims to highlight the rights of garment workers, so that there is an annual focus on the issue and we never forget the loss of life at Rana Plaza.

It has been reported that Bangladeshi workers are some of the lowest paid in the world, taking home less than 62 per cent of the living wage. Nearly 40 per cent of the garment factories in Dhaka fail to pay the minimum wage. The International Labour Organization and Oxfam highlight the problem and challenge us to ask questions about the clothing that we buy.

The issue was addressed recently in a motion that Kez Dugdale lodged. Across the parties in the Parliament, there has been interest in ensuring that we highlight the issues. I think that doing so is an act of international solidarity and social justice. Members of the Scottish Parliament can promote the issue on an individual level and by working with organisations and NGOs in our communities.

The clean clothes campaign draws attention to brands that have made insufficient or no contributions to the Rana Plaza fund. That campaign and the fashion revolution campaign will sit alongside the work of established organisations such as SEAD and Oxfam, which have long called for justice for workers and lobbied for major companies to take responsibility for tackling poverty pay.

No worker's life should be put at risk because of a failure to put appropriate safety measures in place. The anniversary of the Rana Plaza disaster is one that we should remember in future. We need to acknowledge that people died in tragic circumstances and to enable their deaths to serve as a reminder of the importance of health and safety at work, abroad and at home.

We must campaign for the rigorous protection of all workers' rights. Many members celebrated workers memorial day this year, when workers across the world agreed to stand in solidarity to remember the dead, fight for the living and ensure that lessons are learned and tragedies are not repeated.

There are issues that we need to take up in our communities. There is a challenge to get Scottish consumers and companies to support stronger accountability from companies that source clothes

from factories across the world for sale here. We need to draw attention to the chain of responsibility and encourage our constituents and organisations and companies that are active in Scotland to consider it in the context of their procurement and sourcing policies.

Today in the Scottish Parliament we can add our voices to calls for justice for garment workers, so that they receive fair pay and decent and safe working conditions. We do so in an act of solidarity with some of the lowest-paid workers, who experience working conditions that would not be acceptable here and in the rest of the developed world. Let us use our political influence to support those workers.

I am grateful for the opportunity to speak to the motion. I hope that in his closing remarks the minister will talk about how the Scottish Government can highlight the campaigns that I have talked about, assist with the chain of accountability and support corporate social responsibility in Scottish companies.

17:14

John Mason (Glasgow Shettleston) (SNP): I thank Sarah Boyack for bringing the debate to the chamber. It is on a subject that we wish we did not have to speak about but which we have a duty to speak about in the Parliament. A lot of ground is covered in the motion, and Ms Boyack has covered quite a lot in her speech. I am happy to associate myself with all of that. The focus of the motion and the debate is the Rana Plaza disaster, which happened in Bangladesh, and I am more than happy to support the call for contributions to the compensation fund.

The next main theme is how we can reduce the risk of such a disaster happening again. In its briefing, Amnesty International emphasises human rights and the relationship that exists between government and business in Bangladesh, which seems to be unhealthily close in some instances. Oxfam talks about our responsibilities as consumers for the clothes that we buy. Sarah Boyack mentioned that as well. At the very least, we should question why something is cheap. Like probably all of us here, I like to get a bargain, but there must be a reason why a shirt or a pair of jeans is incredibly cheap. That reason may be that the workers' wages are far too low or that there are virtually no health and safety standards wherever it was produced.

That brings me to the topic of fair trade. We have made real progress in fair trade food and drink. Years ago, the tea and coffee were pretty poor, but we have moved on to good-quality products. Many of us now buy other fair trade products such as chocolate, sugar and wine. Like

many others, when I go out to buy such food products, I regularly choose fair trade products because they give us at least some assurance that the workers receive a decent wage and that there will be some health and safety standards where they work.

However, we do not seem to have made the same progress with clothing products, and that concerns me. Perhaps it is more difficult to change that kind of product from the grass roots. Tea and coffee can be sold at a small stall at a school fair or a church, but that is not possible with a range of clothing. Nevertheless, we must tackle the situation somehow. One suggestion that has had success in the past is the use of pension funds. Local authority pension funds, among others, make huge investments in a range of companies around the world. When I was a councillor, I served on the committee for the Strathclyde pension fund and we felt able to ask the fund managers to bring reports to us on corporate social responsibility—on whether big companies such as BP and Shell were paying proper local wages and whether the local conditions were healthy and good. That put at least some pressure on the companies to report back on such things and, to be fair, corporate social responsibility has moved forward since then.

We must also be clear that it is not just about rich western nations trying to impose their standards on the developing world; it is about having decent wages and health and safety standards all over the world. Frankly, we get it wrong too. On 28 April, I was at Glasgow green to commemorate workers memorial day, which Sarah Boyack mentioned. Patricia Ferguson was there, as was Drew Smith, I think. Patricia Ferguson talked about her proposed bill, and there was a focus on the Stockline tragedy, which happened on our doorstep in Glasgow. I hope that we can put the emphasis on working with countries such as Bangladesh and not talking down to them, which I fear western countries have sometimes done in the past.

If we are going to be idealistic, I would like us to move towards a worldwide minimum wage, albeit set at appropriate local levels. I was trying to remember the singer who mentioned that in one of his songs—I think that it was somebody called Ian Davidson, but I am not sure. I accept that that might be a long way off, but we need at least to talk about such things and keep our focus on them. We should think not just about those who are struggling in Scotland, the UK and Europe, but about the people who are struggling all around the world, because each person is of equal value.

17:19

Patricia Ferguson (Glasgow Maryhill and Springburn) (Lab): I congratulate my colleague Sarah Boyack on securing this debate about one of the world's worst industrial accidents. I apologise to you and to members, Presiding Officer, because I will have to leave when I have concluded my speech.

As we have heard, more than 1,100 people lost their lives and a further 2,500 were injured when the Rana Plaza complex collapsed on 24 April 2013. Having witnessed the effect on my local communities of an industrial disaster in which nine people lost their lives, I can only begin to imagine the effects that such a devastating event had on the Savar district of Dhaka, where the plaza was located.

We know that many of the survivors are still struggling with injuries that affect their ability to work, and that many families have lost their breadwinner and are experiencing brutal hardship to this date, which is why the Rana Plaza arrangement and the compensation process that are attached to it are so important. However, as we heard from Sarah Boyack, the agreement is woefully inadequate.

What happened at Rana Plaza was not the first large-scale disaster in the ready-made garment industry in Bangladesh. Months earlier, in November 2012, 112 people were killed in a fire at Tazreen Fashions. Between 2006 and 2009, 414 garment workers were killed in 213 separate factory fires and, in the five months following the fire at Tazreen Fashions, a further 28 factory fires were reported, with eight workers killed and at least 591 injured.

What is it about the Bangladesh garment industry that makes it so vulnerable to such tragedies? It is worth noting that the industry is a key driving force of the Bangladesh economy and that it is highly politicised. In 2011-12, Bangladesh was the second-largest exporter of apparel in the world, and the industry accounted for 13 per cent of the country's gross domestic product and provided employment for an estimated 3.6 million people.

Although Bangladesh has improved its economic outlook significantly in recent years, issues including workers' rights, transparency and building regulations have not kept pace. In the garment industry, buyers demand low prices that are achieved by rival companies constantly undercutting one another, paying low wages and having scant regard for the health and safety of their workers. Furthermore, when one considers that Bangladesh has the lowest hourly wage rate in the world, and that many garment workers work long hours without extra pay just to meet targets,

one begins to feel that it is an industry in which workers have little value.

Rana Plaza exemplifies that disregard for safety. On 23 April, the day before the collapse, cracks appeared in the factory's walls. The media reported that the country's industrial police had recommended that the factory owner suspend production until the situation could be investigated by independent inspectors. Indeed, the bank and shops on the ground floor were still closed when the collapse took place, but the upper floors, where the garment factory was located, had been reopened as a result of the factory owner's having organised an inspection by his own contractor, who declared the building to be safe, which probably comes as no surprise. It is alleged that some workers were threatened with dismissal if they did not return to work, and that many returned to their machines just an hour before the building's collapse.

What can and should be done to improve safety and conditions in Bangladesh? It is clear that a complex set of relationships are at play there. I was very impressed by the report that was produced by the Bangladesh all-party parliamentary group at Westminster. It has produced a raft of recommendations, many of which seem to be eminently sensible, based on conversations that they have had here and in Bangladesh. I will single out just a few of those and paraphrase them for speed.

The group suggests that western Governments use their influence to encourage Bangladesh to address Labour rights, minimum wage levels and enforcement; that the Bangladesh Government establish a disaster relief and fire emergency plan, with adequate funding and ministerial responsibility; that there be support for the minimum wage board that has been established in Bangladesh; that there must be greater worker participation and representation in the running of companies; and that a system of building controls with appropriate training and record keeping be established.

Another of the group's interesting ideas is the recommendation that there be a kite mark for ethically produced garments. Given the hundreds of items that one can buy that are fair-trade marked, and that many of those are made using cotton and other fabric-producing materials, I wonder whether a separate kite mark would be needed for ethically traded and produced garments. However, it is worth looking into that issue.

It seems to me that we must consider whether the west's insatiable appetite for low-cost garments also plays a part in this story. I believe that it does.

In debates on the Stockline tragedy, which John Mason mentioned, I have suggested that no one should die just because they go to work. In my view, that applies just as much in Bangladesh as it does in Scotland.

17:25

Cameron Buchanan (Lothian) (Con): Like many members, I well remember the pictures from the immediate aftermath of the collapse of the factory at Rana Plaza. The aspect that sticks most in my mind was the look of sheer confusion on people's faces and the general chaos that seemed to characterise the immediate response. Obviously, the scale of the tragedy quickly became apparent and, shortly after, the broader issues with the garment industry came to light. However, since then, the Rana Plaza incident has slipped from the front pages, and that is why I am very pleased that we are having this evening's debate.

Although discussions on the safety of factories in the garment industry, conditions within them and the role of the industry have continued, the issue has received a good deal less attention than we would have expected a tragedy of such scale to have received had it occurred in another country. I congratulate Sarah Boyack and the many other people who are determined not to let the Rana Plaza disaster fade into history, and who are determined to ensure that, whatever else, the lives of the 1,000 or so workers that were lost were not lost in vain.

We cannot overstress the importance of all our individual responsibilities on the issue. Of course the UK Government should take action on it, and the fact that it has done so is most welcome. The provision of £1.8 million of funding for the trade and global value chains initiative is one such development that should strengthen the relationship between buyers and factory workers. It comes on top of the responsible and accountable garment sector challenge fund, which works with some of our top retailers to improve conditions for workers in the industry.

However, there is another link in the chain—ourselves, as consumers. The fact that the garment-marketing rules have been relaxed, thanks mainly to European Union regulations, means that “country of origin” labelling is no longer compulsory. That happened as a result of lobbying by the Spanish, who were keen that Mango and Zara should not have to disclose where their garments are manufactured. Since then, it has been nigh on impossible to say whether clothing is made in a foreign sweatshop. Therefore, I think that the kite mark idea is a sound one.

As someone who worked in the textile industry for long years, I always take a keen interest in where the garments that I buy are manufactured. I find that many people make assumptions about high prices being a marker for quality, but that is not the case. To put it frankly, we cannot make such assumptions. If we are to put pressure on retailers and drive up workers' conditions, we must start informing ourselves better about the origin of our clothing. I am not talking only about the country of origin, because in all countries there will be factories that are safe to work in and which provide safe and reliable employment. We should not lose sight of that.

In relation to that, I am pleased that UK aid is providing money for factory inspections in Bangladesh, which I understand will number 2,000 next year, but we can always do more. The problem is that we put money into funds to carry out such factory inspections, but the bosses keep half the money and still pay the workers the minimum wage. It is extremely difficult to control that. As consumers, we should be asking questions about who is producing our clothes, what conditions they are working under and whether the retailer is doing all that it can to support better standards.

I hope that the increased publicity about compensation of workers surrounding the efforts of some of the companies involved will shame them into becoming more generous and proactive. The fact that so many companies whose goods were manufactured at Rana Plaza failed to attend the first meeting on compensation is shameful, to put it mildly. Those companies must do more, and we must keep up the pressure on them to do so. That goes beyond the issue of compensation, on which progress seems to be being made through the Rana Plaza arrangement, and extends to the broader issue of welfare and conditions for workers, in particular in the developing world. We need to be confident that the cost of our clothes is at the expense of the consumer and not of the welfare of those who make them.

17:29

The Minister for External Affairs and International Development (Humza Yousaf): I thank Sarah Boyack for bringing her motion to the chamber for debate. She has a long and notable history of securing debates on issues of importance across the world, and I commend her for again doing that with the motion that we are debating this evening. I also thank the members who signed it and those who have spoken on it.

As we all know, 24 April 2014 marked the first anniversary of the tragic Rana Plaza disaster, which claimed the lives of at least 1,129 garment factory workers and left many more injured.

As Patricia Ferguson pointed out, the disaster came only a few months after the Tazreen Fashions fire in Dhaka, which killed 112 workers. These tragedies, and many others like them, are a stark reminder of the human cost of our demand for cheap, fast clothing and of the horrendous working conditions of those who produce them. John Mason was correct to suggest that, because of that demand, we might all, at one time or another, have been guilty of being part of the problem, albeit in an indirect way and without realising the consequences of our actions.

We should recognise that the issues surrounding the garment sector in Bangladesh are complex and are not as simple as might have been portrayed previously. The industry is worth more than £13 billion and provides jobs for more than 4 million Bangladeshis, the vast majority of whom are women. On the one hand, the industry is absolutely vital to poverty reduction and the economic empowerment of people, particularly women, in Bangladesh. It gives women opportunities to work outside the home, earn their own money and help support their family. It also offers an alternative to early marriage.

However, the flipside is, as members have suggested, that people might have to work in exploitative conditions. There is no excuse for the appalling working conditions that led to the tragic Rana Plaza factory collapse, and it is imperative that those affected by the disaster—the child who lost his mother, the woman who was left disabled and all those who are now unable to support their families—are properly compensated. In response to Sarah Boyack's question about what the Scottish Government can do in that regard, I can tell her that we urge companies to stick by the agreements that they have signed, which I will go into in more detail. I also commit to raising the issue with the honorary consul for Bangladesh and with the high commissioner, when I next meet him. I am certainly happy to raise the Parliament's collective voice on the matter.

As members have pointed out, one year on, progress has been made in improving building safety, conditions and, indeed, inspections, which are very important. Buyers have also been urged to take responsibility for their supply chain, and I welcome the introduction of the Rana Plaza arrangement compensation process to support the victims. However, as I said, it is vital that the fund adequately compensates all affected, and I reiterate the call made in the motion and by every member in the chamber for

"companies operating across the Lothian region, Scotland and the UK, especially companies that sold clothing that was produced at the Rana Plaza"

to make sufficient and appropriate contributions to ensure that the £24 million target is reached.

Sarah Boyack will understand that neither I as a Government minister nor the Government itself has the legislative power to force them to do so, but the Parliament should send a strong message to the UK and Scottish companies in question to ensure that they live up to their important responsibilities.

We all agree that it is completely unacceptable for people to face a threat to their lives every time they go to work. Patricia Ferguson and John Mason very poignantly reminded us of the Stockline incident, and the point is that whether we are talking about Scotland or Bangladesh, everyone should have the right to work in safety and expect to go back home after a hard day's work.

As consumers, we all have a responsibility to think a bit harder about what we are buying; after all, sometimes there is no such thing as a good bargain. The Government has a responsibility to be a good global citizen, and our achievement of fair trade nation status, in particular, gives us the leverage to do more on this issue. Moreover, the Procurement Reform (Scotland) Bill, which was recently passed by Parliament, was amended by the Government to ensure that ethical and fair trade policies are reflected in guidelines for public contracts. That is a step in the right direction and gives us some influence over public contracts in ensuring that those who exploit workers are made to answer for that in the public procurement process. I also think that we as a Government can do more on the issue by using our fair trade nation status.

We are very proud of the work that we do with Bangladesh, which is one of our international development priority countries. We are currently funding four projects, which are worth just shy of £1 million, over the three years between 2013 and 2016. The projects work on food security and with marginalised communities in mitigating the effects of climate change.

On what more the Scottish Government can do, many of us will know the United Nations guiding principles on business and human rights, which the UN Human Rights Council endorsed in 2011. The UK launched its implementation plan in September 2013, and the Scottish Government has liaised closely with the Foreign and Commonwealth Office in that process.

We have in Scotland a national action plan for human rights, which was facilitated and drafted by the Scottish Human Rights Commission and launched on 10 December 2013. It contains a commitment to develop a co-ordinated plan of action in Scotland to give effect to the UN guiding principles, which are also known as the Ruggie principles. Many members across the chamber will know about the Ruggie principles, which relate to

providing respect for human rights in the context of business activities. UN member states have a positive duty to take all necessary steps to prevent business-related human rights violations. In the context that we are in, but even if Scotland votes for independence, we as the Scottish Government will, of course, be an advocate of those principles.

I note, as others have done, that workers memorial day was marked on 28 April 2014. The purpose of that day is to remember all those who have been killed through work, but also to ensure that such tragedies are not repeated. I completely share that sentiment and believe that the work on Scotland's national action plan for human rights has an essential role to play in improving business practices. However, we need collective action across the globe and the community of nations to pull together. The Ruggie principles are certainly one way of achieving that.

I once again thank Sarah Boyack for keeping the issue in the spotlight. I am sure that the message from the Parliament will be loud and clear: we must never see another tragedy such as that of Rana Plaza.

Meeting closed at 17:37.

Correction

Keith Brown has identified an error in his contribution and provided the following correction.

The Minister for Transport and Veterans (Keith Brown):

At col 32384, paragraph 1—

Original text—

The project involves a substantial investment by the Government of approximately £850 million, which will lead to improved services between Edinburgh and Glasgow; an increase in the number of passenger spaces available; and improvements with regard to the environmental cost that rail travel incurs.

Corrected text—

The project involves a substantial investment by the Government of approximately £750 million, which will lead to improved services between Edinburgh and Glasgow; an increase in the number of passenger spaces available; and improvements with regard to the environmental cost that rail travel incurs.

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